

## **BOARD OF MAYOR AND ALDERMEN**

**March 21, 2006**

**7:30 PM**

Mayor Guinta called the meeting to order in joint session with the Library Trustees.

The Clerk called the roll.

Board of Aldermen: Aldermen Roy, Gatsas, Long, Duval, Osborne, Pinard  
(late), O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Forest

Library Trustees: Kevin Devine, Madeleine Roy, Jeffrey Hickock, Karen  
Sheehan-Lord

Absent: Alderman Thibault, Joanne Barrett, Joseph Sullivan

Mayor Guinta advised that nominations are in order to fill the unexpired term of Mary Heath; such nominations to be made for a term to expire October 1, 2006.

Alderman Gatsas moved to nominate Peter Duffy. Trustee Kevin Devine duly seconded the motion. Mayor Guinta called for a vote. There being none opposed, the motion carried.

Alderman Gatsas moved to close nominations. Alderman Roy duly seconded the motion. Mayor Guinta called for a vote. There being none opposed, the motion carried.

Alderman O'Neil moved to suspend the rules and confirm the nomination of Peter Duffy as a Library Trustee, term to expire October 1, 2006. Alderman Gatsas duly seconded the motion. Mayor Guinta called for a vote. There being none opposed, the motion carried.

There being no further business to come before the joint session, on motion of Alderman Roy duly seconded by Alderman Gatsas it was voted to adjourn.

Mayor Guinta called the regular meeting of the Board to order.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Long, Duval, Osborne, Pinard, O'Neil,  
Lopez, Shea, DeVries, Garrity, Smith, Forest

Absent: Alderman Thibault

On motion of Alderman Roy, duly seconded by Alderman Duval it was voted to recess the meeting to allow the Committee on Lands and Buildings to continue their meeting.

Mayor Guinta called the meeting back to order.

Presentation by representatives of Texas Instruments informing the Board about its Manchester-based business activities.

Paul Borek, Economic Development Director, stated at this time I would like to introduce Steve Anderson, Vice President of Texas Instruments and colleague Christine Myers.

Steve Anderson, Vice President of Texas Instruments, stated thank you Mayor and Aldermen for giving us the opportunity tonight to talk about Texas Instruments, talk about the City of Manchester a little bit and to talk about the system power business. Again as Paul said my name is Steve Anderson and I am a Vice President at Texas Instruments. I am responsible for this business in Manchester, the system power business, as well as another power business located in Chicago. With me tonight is Christine Myer. Christine is our Business Human Resources Manager for our business here in Manchester and she also has responsibilities for TI power businesses so 500+ employees. Again, thank you very much. We thought we would just cover a couple of slides here and talk a little bit about Texas Instruments at the highest level and discuss the business a little bit and then maybe talk a little bit about what Manchester means to Texas Instruments. We want to start out...I think the first thing that comes to mind at least when I talk to a lot of people and I mention Texas Instruments is they immediately think of calculators. That is one business I can tell you we are probably not in in the Manchester business. That is a very small business, a very small part of TI's overall business and in fact TI started 75 years ago in the oil exploration business. So we have come a long way as a business. We have grown significantly and we actually thrive inside the developing of ideas of its people. So people resources are very, very critical to Texas Instruments and very critical to the system power management business. TI leads the way in something called digital signal processing or dsp's for short and analog technology. These two items are really the semi-conductor engine for the Internet age so they are driving a lot of what is taking place in today's world. Anywhere from high speed Internet to your home to cell phones and everything else. TI's technology is very pervasive. So something that is very important is the history of Texas Instruments and what it means to us. It is a very impressive history and a very storied history but again it all goes down to the core of people. This just gives you an idea of TI's revenue at the highest level again and this is all public information so we are not letting any cats out of the bag here. TI's revenue for 2005 was over \$13 billion so it is a clearly sizable company. You can see the educational and productivity solutions business is the calculator business. That is a very small portion of the business. So overall TI's business is over \$13 billion. TI spends over \$2 billion a year on research and development. Again part of that money is spent in our business here in Manchester and in businesses all over the world that TI has. Capital expenditures in one year alone exceed \$1 billion. So Fortune 500 ranked TI for last year at position 166. It is a good sized company. To give you some idea of the global nature of TI and again TI is very peoplecentric. We are an engineering company and research and development oriented so you can see we employ over 35,000 people around the world.

Almost 20,000 people in the Americas and 10,000 in Asia. 2,600 in Japan and almost 3,500 in Europe so we are definitely a global presence for a company. Now if we talk a little bit about what we do here in Manchester at Texas Instruments you are going to see many end equipments up on the slides – industrial equipment, computing equipment, consumer electronics...many of you probably own some type of MP3 player or digital camera and we also see communication equipment. You guys use phones. Everyone here uses a phone everyday whether it be wired or wireless or whatever. Now really the mission of the business here in Manchester for Texas Instruments is to drive power management semi-conductors in these types of end equipments. So these are the kind of customers that I visit and I visit almost 100 customers a year. I travel almost 250,000 billion miles a year. I visit many, many customers from China to Europe to Asia and the US and these are the kind of end equipment that we look at to try to drive our business and specifically in the Manchester business we are related to power. So anything you can plug into the wall we probably have a product that can power that piece of equipment. To give you some idea of what the demographics of our business is like and this, again, is just specific to our Manchester, NH business, over 80% of our people have Bachelor's degrees and half of those people have Master's degrees. We even have 5% of our employees who have Ph.D.'s. We have a very highly educated population. You can see our age distribution there. Almost 50% in the 40-49 year old bracket. So highly educated and those young professionals. You can see in locations these are where the people live. We have over 80% who live in NH and of that 15% live in Manchester and 13% in Merrimack and you can see the distribution. We do have a special interest in Manchester not only from having our business here but our employees live here. They want a good place to live and a great place to raise their family. Manchester is very, very important to this business. So we are recognized world wide, TI is, at the highest level as being the employer of choice. We have won many awards like the Fortune 100 best companies to work for in America for seven years straight and you can see all of the different awards. We have won...Working Mother gives us 100 best companies for working mothers so we really work hard at making an environment that is conducive to retaining and recruiting top talent worldwide. If you guys take nothing else away from this know that we strive for the best employees and we want to retain those people. So again a very short presentation. I have a feeling you might have a couple of questions. I hope that gave you a flavor for Texas Instruments.

Alderman Gatsas stated thank you for being a great corporate partner in the City. I think you probably know the question I am going to ask you. I will be shocked if you don't. Would you be interested in a...how many parking spaces do you lease or how many employees do you have that are leasing parking spaces either in the Granite Street parking lot or in the Seal Tanning lot?

Christine Myers answered the parking that we have for the employees is actually built in as a component of our lease and that was an important factor for us when we were trying to decide where to move when we left our Merrimack facility and moved here to Manchester.

So in terms of what we actually lease from the City right now we don't actually lease the lots from the City, we lease them from our landlord.

Alderman Gatsas asked so you basically don't have a need for parking.

Ms. Myers answered we absolutely have a need for parking and that is why we insisted that it be part of our lease when we entered into the lease in Manchester.

Alderman Gatsas asked how long is the term of your lease.

Ms. Myers answered our lease term is five years.

Alderman Gatsas asked would you be interested in a public/private partnership in a parking garage.

Mr. Anderson stated well TI's main business is the creation or manufacture of semi-conductors. I probably wouldn't want to dive into the parking business. There are skilled professionals...that is just not something we do.

Alderman Gatsas replied we would never ask you to dive in. We are asking you to participate but that's okay, your answer was clear.

Alderman O'Neil asked how many employees do you currently have in Manchester.

Mr. Anderson answered 160.

Alderman O'Neil asked are there any plans in the future for additional employees.

Mr. Anderson answered we have added 10% since January and we are hoping to add another 10% probably between now and the middle of the year.

Alderman O'Neil stated we could probably spend hours here on the parking issue but are there other things in particular that we might want to be aware of that maybe we can do a little better in City government.

Mr. Anderson responded I think the relationship is good and I think we are here to try to develop a better one. I think parking...you know not to beat the horse here but it is a major issue for us and it would be one that when I came on board to run this business it became very evident to me in the small group meetings I had with our employees that that was the number one concern. I can't reiterate or give you a strong enough opinion on it but parking is a big concern and at the top of my mind.

Alderman O'Neil asked do you have any feeling and you may have some data to back this up but do you have a feeling as to how many of your employees would live in the downtown area if there was an adequate amount of housing downtown for them to live in.

Mr. Anderson answered I don't believe we have ever done a study just based on that situation. That has never really been the case. I personally live downtown and I like it very much.

Mayor Guinta stated he is my neighbor.

Mr. Anderson stated I enjoy the downtown area. Who knows? If you give people opportunities and there are places where they can go I would say it is always an added plus in recruiting help.

Alderman O'Neil stated thank you very much. You are exactly the kind of company that we need to not only recruit but retain here in Manchester.

Alderman Duval asked when does your lease come to term – the existing lease. Do you know?

Mr. Anderson answered June of this year.

Alderman Duval asked so you are in renewal negotiations I presume with the landlord.

Mr. Anderson answered yes.

Alderman Duval asked do you know if by chance contingent on that renewal is a parking stipulation. In other words asking the landlord to provide additional parking spaces for your employees?

Mr. Anderson answered I believe that is definitely something that is very much of interest to us. Parking again is a concern.

Alderman Long stated you mentioned in your presentation that 15% of your employees live in Manchester and you stated that you are interested in drawing from Manchester itself. Is there any particular reason why it is an advantage for your company to have employees from the city that you are in besides they wouldn't need parking?

Mr. Anderson answered it is convenient. It is nice to be able to live in the community you work in. Commute times sometimes can be bad and they become a stressful issue. You want a clear head when you get to work and you want a clear head when you get home. What is interesting is if I can just take your question and go a little further, the types of

individuals we hire and you can see the background - Bachelors, Masters and Ph.D.'s mostly in electrical engineering, we recruit worldwide. I have spoken to many gentlemen and recently I can think of a handful from California that would be relocating here. We want to create an environment that is exciting and they want to bring their family to because again we will not be able to retain those people if we don't have a community that they can move into and raise their children in and be close to work. It would be nice to be able to have people live close to work. I live like six blocks away and it is great. It is nice to have a close proximity to schools and it is just another retention tool. We can pay them all the money in the world but if their wives aren't happy it is probably a good indication that they are not happy. It is one of those situations where you want to create a good family environment.

Alderman Long stated I thank you for this opportunity.

Alderman Shea stated one of the questions you answered was that 80% have Bachelors and 40% have Masters and a few Ph.D.'s. Electrical engineering is the major that is concentrated on in your particular company. Is there another major as well or is it just electrical engineering mostly?

Mr. Anderson stated TI is an engineering company. I don't want to pigeonhole us into just the electrical engineering degrees but mechanical engineering, chemical engineering...we have all different types of engineers. Again our key and core business to this business here in Manchester is the creation of integrated circuits. We create IC's. Very small chips that perform functions in power management so electrical engineering is pretty critical.

Alderman Shea asked is that your major – electrical engineering.

Mr. Anderson answered no not really. My background is computer science and I have multiple degrees in finance and accounting.

Alderman Shea asked the median salary for your employees is that public knowledge.

Mr. Anderson answered no that is not something we disclose. They are very well compensated.

Alderman Shea stated the company that we had in before, Autodesk, said their average salary is \$77,000/year. Does yours compare with that?

Mr. Anderson responded yes very favorably.

Alderman Roy stated thank you for being here tonight and thank you for that presentation. It is great to see that you spend the time in your HR department looking at the demographics of where they live and how you operate in the City and I, for one, will try to do anything I can

to try to keep you in that location and assist you or Don Clark with your retention and hopefully expansion through the years.

Mayor Guinta stated I do want to thank you as well for coming. I think it is critical for this body to get a feel and a flavor for the kinds of companies we have in the City, particularly in the downtown area and what is driving our economy. I think it provides an opportunity for us to hear what your concerns are and how we can certainly be better neighbors and better stewards of your business. So to the extent that we can help you please consider reaching out to myself and the other members of this Board and we will certainly do the same. I appreciate you being here.

Mr. Anderson stated Christine and I just want to thank you for taking the opportunity or giving us the opportunity to come here and speak to you tonight. Thank you very much.

### **CONSENT AGENDA**

Mayor Guinta advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

### **Informational – to be Received and Filed**

- B.** Communication from Mayor Guinta advising of the City's withdrawal from the United States Conference of Mayors.
- E.** Minutes of a Manchester Transit Authority Commission meeting held on January 31, 2006 and the Financial and Ridership Reports for the month of January 2006.

### **REFERRALS TO COMMITTEES**

#### **COMMITTEE ON FINANCE**

**F. Resolutions:**

“Amending the FY2005 Community Improvement Program, authorizing and appropriating funds in the amount of Forty Five Thousand Seven Hundred Ninety Seven Dollars (\$45,797) for FY2005 CIP 210105 Homeless Health Care Program.”

“Amending the FY2005 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Fifty Thousand Dollars (\$150,000) for the 2005 CIP 711705 WWTF Facility Plan Project.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Eight Thousand Dollars (\$8,000) for the 2006 CIP 214306 – 6% Incentive Fund Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 410706 NH DWI Patrol Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 410806 NH Speed Enforcement Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 411906 Manchester School Bus Enforcement Patrols.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thirty Seven Thousand Three Hundred Seventy Eight Dollars (\$137,378) for FY2006 CIP 412106 Homeland Security Exercise and Evaluation Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Five Thousand Six Hundred Four Dollars (\$5,604) for the FY2006 CIP 610606 Housing Rehabilitation/Lead Paint Hazard Remediation Program.”

“Amending the FY2005 and 2006 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Twenty Five Thousand Dollars (\$125,000) for the 2006 CIP 712006 S. Mammoth Phase 3 Project.”

## **REPORTS OF COMMITTEES**

### **COMMITTEE ON COMMUNITY IMPROVEMENT**

- G.** Advising that funding for improvements at the intersection of South Willow and South Maple Streets have been requested at a presently estimated cost of \$80,000 if performed by the Highway Department. The Committee recommends that up to \$50,000 from CIP 411303 South Willow Street Fire Station Re-roofing be utilized towards this project and that the Planning Board be requested to approve \$30,000 from CIP 710227 South Willow Area Improvements and that the project moved forward.

The Committee notes that applicable resolutions and budget authorizations will be submitted directly to the Board at a later date following consideration by the Planning Board and final estimated costs of the project.

*(Unanimous vote)*

- H.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$45,797 for FY2005 CIP 210105 Homeless Health Care Program, and for such purpose a resolution and budget authorization have been submitted.

*(Unanimous vote)*

- I.** Recommending that the Board authorize transfer and expenditure of funds in the amount of \$150,000 for FY2005 CIP 711705 WWTF Facility Plan Project, and for such purpose a resolution and budget authorizations have been submitted.

*(Unanimous vote)*

- J.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$8,000 for FY2006 CIP 214306 – 6% Incentive Fund Program, and for such purpose a resolution and budget authorization have been submitted.

*(Unanimous vote)*

- K.** Recommending that the Board authorize acceptance and expenditure of funds in the



amount of \$2,697 for FY2006 CIP 410706 NH DWI Patrol Program, and for such purpose a resolution and budget authorization have been submitted.

*(Unanimous vote)*

- L.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$2,697 for FY2006 CIP 410806 NH Speed Enforcement Program, and for such purpose a resolution and budget authorization have been submitted.  
*(Unanimous vote)*
- M.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$2,697 for FY2006 CIP 411906 Manchester School Bus Enforcement Patrols, and for such purpose a resolution and budget authorization have been submitted.  
*(Unanimous vote)*
- N.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$137,378 for FY2006 CIP 412106 Homeland Security Exercise and Evaluation Program, and for such purpose a resolution and budget authorization have been submitted.  
*(Unanimous vote)*
- O.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$5,604 for FY2006 CIP 610606 Housing Rehabilitation/Lead Paint Hazard Remediation Program, and for such purpose a resolution and budget authorization have been submitted.  
*(Unanimous vote)*
- P.** Recommending that the Board authorize transfer and expenditure of funds in the amount of \$125,000 for FY2006 CIP 712006 S. Mammoth Phase 3 Project, and for such purpose a resolution and budget authorizations have been submitted.  
*(Unanimous vote)*
- Q.** Recommending that a petition to lay out a portion of Lewis Street be referred to a road hearing to be held on Monday, April 17, 2006 at 5:30 PM in the Aldermanic Chambers.  
*(Unanimous vote)*
- R.** Recommending that a request for a sewer abatement for property located at 396-398 Amherst Street be granted and approved in the amount of \$594.00, as recommended by the Environmental Protection Division.  
*(Unanimous vote)*
- S.** Recommending that a request for a sewer abatement for property located at 163 South Mammoth Road be granted and approved in the amount of \$295.20, as recommended by the Environmental Protection Division.  
*(Unanimous vote)*
- T.** Recommending that a policy for the removal of graffiti on private property, as enclosed herein, be approved.  
*(Unanimous vote)*

#### **COMMITTEE ON HUMAN RESOURCES/INSURANCE**

- U.** Recommending that a revision to the Bright Ideas Program policy, as enclosed herein, be adopted.  
*(Unanimous vote)*
- V.** Recommending that an Administrative Services Manager, salary grade 16, at the Library be reclassified to an Administrative Assistant III, salary grade 14.  
*(Unanimous vote)*

- W.** Recommending that a request for reorganization of the management structure of the Health Department, which now provides for the reclassification of two positions and the establishment of one full-time position be approved, and for such purpose advising that it has submitted Ordinance:

“Amending Section 33.024, 33.025 & 33.026 (Relating to the Reorganization of the Health Department) of the Code of Ordinances of the City of Manchester.”

outlining abolishment and establishment of various positions relating to this reorganization and having approved same recommends that this ordinance be referred to the Committee on Bills on Second Reading for technical review.

*(Aldermen Shea, Garrity, Pinard and Duval voted yea; Alderman Gatsas voted nay.)*

**HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN O’NEIL, DULY SECONDED BY ALDERMAN OSBORNE, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.**

- A.** Communication from Mayor Guinta advising of the implementation of a new process for seeking grants for the City of Manchester.

Alderman Lopez stated this correspondence in reference to the grant writer position that we have who is now going to be working on the Vista Program and Craig Smith sent a memo to department heads that I presume you have okayed I am wondering, your Honor...I commend somebody for taking a handle of this and looking at it. That is not my issue. I am wondering if this shouldn’t go to the HR Director and HR Committee for the simple reason that department heads are appointing individuals to be grant writers and number one they may want an A step to get more money and number two they might want their job classification changed. I believe the grant writer that we have hired in the City is a labor grade 17 or 16 and the pay structure for him now working with Vista and I was wondering if that area was looked at as to whether you need that type of money for somebody to coordinate with Vista when it is just a management or coordination type aspect of it. Without going into detail I was wondering if that could be referred to the HR Committee and HR Director to have some input as to whether an employee of the City...if I am a department head and go down and say now you are my grant writer and you take this individual doing the job and the hours it takes to put a grant together...I have experienced in Parks & Recreation that some are 4” thick in some cases so I was wondering if that could be referred to the HR Committee and HR Director.

Mayor Guinta responded I would have no objection to it being referred to Committee, however, I probably would now and at Committee reiterate that in the discussions we were having in my office internally my intention was to identify willing participants in each department who are looking to identify additional funds that can benefit the City and I was hoping that people wouldn’t be looking for additional pay for that service. To the extent that we were going to try to coordinate it through my office to insure that there was a level of communication to insure that we were seeking every opportunity to strengthen and benefit

the City is a direction that I would like to go in, however, I am certainly willing to have it go to Committee and have it further discussed there.

Alderman Shea stated I have the minutes of the meeting of 2002 and it is a grade 18.

Mayor Guinta responded I am not looking to create a new position.

Alderman Shea replied I just wanted to clarify the grant writers labor grade.

Alderman Lopez stated the only reason I mentioned that is because we do have ordinances that say a person is going to be trained and gets a position then he is entitled to an A step and that will be what employees are going to be looking for.

Mayor Guinta asked how do we know that employees are going to be looking for that.

Alderman Lopez stated I am just telling you what they are entitled to look for let's put it that way.

Alderman O'Neil stated I am just wondering, your Honor, if we are opening a door that we don't need to on this. I interpreted this to be somebody to coordinate or be a liaison between the departments and Mr. Hebert. I don't know that we are providing all kinds of additional training for them. Maybe I don't understand the program.

Mayor Guinta responded I didn't anticipate any cost associated with the training. I think it was more of an informational training session to identify some of the areas in which we can locate grants and answer questions that people may have if they haven't done research on grants but again if the will of the Board is to have a further discussion in Committee a motion would be in order and we could take a vote on that. If the Board so chooses that it is not necessary than so be it.

Alderman Lopez moved to refer the communication to the HR Director and the HR Committee. Alderman DeVries duly seconded the motion. Mayor Guinta called for a vote. The motion carried with Alderman O'Neil being duly recorded in opposition.

- C.** Communications from Airport and Highway relative to recent informal polls taken of their respective employees regarding the health care insurance subsidy referendum question adopted at November 2005 Municipal General Election.

Alderman Garrity stated I was reading through this and I was a little surprised by some of the numbers and I would like to see if I can get Kevin Dillon up here to get his input from his staff and get a sense of what the feeling is out there about this issue.

Kevin Dillon, Airport Director, asked is the question how employees feel.

Alderman Garrity responded what is the sense of your employees. Are they disappointed in it or supportive of it? The numbers are a 2:1 margin.

Mr. Dillon stated I think certainly as the employees have interacted with me over the past few months there is no doubt I think that employees are interested in having a healthcare subsidy. I think employees are concerned about healthcare just as they are anywhere. I think, however, that the health subsidy as designed that has gone forward the employees at the Airport are very troubled by. I think there are a number of drawbacks that I think they have identified in the healthcare subsidy but their concern really comes down to what they feel was a lack of communication to them prior to this subsidy moving forward. I think it was those concerns that were being expressed to me that led to this survey being undertaken. As I personally checked into the level of communication that was offered to Aviation Department employees and I can't speak to other departments but I personally found that it was very inadequate. The response that I received from the Retirement System Administrator was that this was posted on the website. Certainly I as a department head don't actively encourage employees to surf the web to find out if somebody is looking to take additional funds from them. I was told that there were briefings offered. I have found no indication to Aviation employees for a briefing until one month prior to the election. I was told that there were payroll stuffers that I also found was one month prior to the election. So there was certainly no communication with the employees at the time the legislation was proposed. I think the employees at the Airport characterized it by saying they felt that people talked to them after the horse had left the barn and was probably at the glue factory already as far as this is concerned. I think there is an awful lot of concern. I think today it was very, very unfortunate...I think some of the language that was used by the Retirement System Administrator that seemed to question the intelligence of Aviation Department employees...I could see and maybe that was just an unfortunate use of words and I can see if we were talking about one or two employees but as a result of the concerns that were expressed to me the survey was undertaken and I think you can see by those survey results that more than 70% of the Aviation Department employees participated. That was 52 out of 72 employees and more than 71% said that they did not even understand that there was a health insurance subsidy moving forward. Further out of the employees that participated, 94% said that they did not support the health insurance subsidy as proposed. That certainly represents concerns to me on a couple of levels. Number one, I have a fiduciary responsibility to airlines that will be paying for part of this health insurance subsidy as it relates to the Airport. If I have 94% of the Airport employees who do not want the health insurance subsidy it is very difficult for me to look the airlines in the eye and say you are going to pay for this. Again, I think I need to stress certainly in terms of interacting with Airport employees, do they want a health insurance subsidy? Sure they do just like any employee wants a health insurance subsidy but they want a subsidy that has equity. That is what is coming back to me as some of the concerns that they have expressed.

Alderman Garrity stated so from what I understand it was the lack of being told about it, communication, and equity. Those are the two main concerns.

Mr. Dillon responded that is correct. If you understand how the health insurance subsidy works, there is no indexing based upon contribution. There are folks that will receive the subsidy that have never contributed to it. These are all of the concerns being expressed. Younger workers out at the Airport that have to contribute to this for 20 or 25 years of a career are subsidizing folks that have never contributed. Again, that is not my role as Airport Director to make a determination whether that is right or wrong. I am trying to tell you the types of concerns that are being expressed. As I said, I think the problem was very much from my perspective exacerbated by the responses that were received from the Retirement system and the responses that were received from other departments here, particularly the Human Resources Department. I personally contacted the Human Resources Department when a concern was expressed to me three weeks ago or I forget exactly when this deduction was taken out of the check that employees asked for that to be broken out separately on the check so they could track what contributions were going to their contributory retirement and what was going to the health insurance subsidy and that was denied. So I think the response that is being given to the employees is very disconcerting and as I said I personally was very disappointed today to read in the *Union Leader* if he was quoted accurately that a statement was made that seemed to indicate that employees in the Aviation Department and a good portion of employees in the Highway Department somehow didn't have the intelligence to understand this after they supposedly were repeatedly given information. Again, I have asked repeatedly show me where the employees were invited to a briefing that was at the time that this was filed. Show me where this was given to employees in terms of information. I think it is shocking today that if you were to ask the Retirement system do they know if a majority of employees support this they can't answer that question. I think the fact that this survey indicates that a vast majority of the Aviation Department employees don't support it, I am not too sure what you would find if you did a survey of the City. Certainly again it is not my position to lobby this thing. I can tell you though that these are the comments that are coming back to me as to why weren't employees asked. The question that is coming up today in this news article and whether or not it is accurate I am not too sure but it was reported that the initial numbers that were used to convince this Board that this health insurance subsidy should move forward are now being reduced. Well the question that I have received is the employees want to know is the employee deduction being reduced? Again, I don't think there is a lot of information that is out there. I think, quite frankly, the employees were entitled to a proactive and affirmative contact by the Retirement system and that wasn't done. To expect employees to go to a website or to expect employees to be tracking legislation up in Concord when they should be working out on the airfield maintaining lights I think is an inappropriate response. I think it was the responsibility of the Retirement system. As I said I have grave concerns as I continue to interact with airlines that

this is now turning into a public story that 94% of the Airport employees don't want something that the airlines are going to pay for.

Alderman Garrity asked is there any data out there that takes a survey of the employees citywide and how they feel about this or is it just Airport and Highway.

Alderman Lopez stated Mr. Fleury is here and he could probably answer that.

Mayor Guinta stated there was a survey done at the Highway Department.

Alderman Garrity responded I do see that in my packet. Do they have any data citywide from City employees as to how they feel about it? I don't know if Mr. Fleury can answer that or not.

Mayor Guinta stated the only data that has been done post approval by the voters of this subsidy in November was done at the Highway Department and at the Airport.

Alderman Garrity asked does Mr. Fleury have any in-house data or anything of that nature.

Mayor Guinta stated we could bring up Mr. Fleury now or if anyone has follow-up questions for Kevin...why don't we do that. I have several people who want to speak.

Alderman Gatsas stated I guess I have a question for the City Solicitor. Even if it was 147% of the people that were opposed to this, there is legislation that has been passed and a referendum question that was voted on by the people...Tom can you tell me where are we at?

Thomas Clark, City Solicitor, stated it has passed the Legislature and the referendum has passed. It is now law. The only way to change it is to go back to the Legislature to get another bill passed to change it and go back to a referendum again.

Alderman Gatsas asked make it clear for me in simpler terms. The law has been passed and the deductions are being taken from the employee's checks so no matter what this Board decides everything must move forward?

Solicitor Clark answered this Board does not have the authority to change it, correct.

Alderman O'Neil stated I have some general statements and I want to follow-up on a comment that Mr. Dillon made. I feel a little bit misled on this. We were told \$1.2 million and I am now hearing it may be \$600,000. Now that is great financially for the City if, in fact, that is true but what I feel disappointed in is we may not have been given correct information. Not that it isn't for the betterment of the City but Mr. Dillon asked a very good

question. If, in fact, the City contribution is half of what was originally stated shouldn't the employee's contribution then drop? This seems to be a...I don't know. I think the intent was good but it appears that it was poorly put together. You can only use the City's health insurance plan, which may not be the cheapest and I am hearing that there may be options out there that you cannot use and if you choose to use those others you lose the subsidy. It is almost like it is out of control. I will say that I am aware of City employees who were not at the higher end of the pay scale, they were at the lower end and a good portion of their retirement check is going to pay their subsidy. I don't think we did a wrong thing in trying to help them out but this is all over the place and I think we need some straight answers.

Mayor Guinta stated I do believe the \$1.2 million...and I know Mr. Fleury will probably come up here and give an accurate assessment of this but at the time I think the actuary had to assume 100% utilization, which would have required a \$1.2 million payment this year. Based on the utilization to date there is an expectation that that \$1.2 million has now been reduced to \$600,000 and change. Essentially what that shows so far is that the utilization rate is much lower than originally anticipated by the actuarial.

Alderman O'Neil asked do you happen to know why that is. Why the utilization rate is so low?

Mayor Guinta answered no but it is probably for various reasons. We have 500+ retirees. Maybe not everybody is comfortable asking for the subsidy or utilizing the subsidy and maybe some of them don't require the subsidy. I can tell you that there appears to be a percentage of retirees that would like to use the subsidy and that are.

Alderman O'Neil asked is it already in place.

Mayor Guinta answered it is in place. I think the withdrawal from current employees began in mid-February or somewhere around there.

Alderman O'Neil asked are past employees able to get that deduction.

Mayor Guinta answered yes.

Alderman O'Neil stated I don't know if that has ever been communicated to them.

Alderman Lopez stated yes.

Alderman O'Neil replied well you say yes but I am aware of one that it has not been communicated to.

Mayor Guinta asked a retiree.

Alderman O'Neil answered yes.

Mayor Guinta stated I believe the Retirement system did notify every retiree that we have in the system.

Alderman O'Neil stated this just leads me to believe this thing is in a worse situation than first thought.

Mayor Guinta stated what I would echo is I think this is a serious matter that we have to consider given that a number of City employees have expressed concern about it and that concerns me. I do think that we have, as a Board, a responsibility to listen to our employees and to the extent that employees are saying sure we would like a subsidy but they are also saying there is a concern out there expressed about the cost associated with it and it is 1.25% of a weekly paycheck, which doesn't sound like a significant amount but I have heard from employees that it is to many employees. So to the extent that we can do something and listen to the employees and provide some relief to the employees of our City I think we should consider that. Unfortunately we are required by law to continue to take the pay from the employees and we have a requirement to have an employer contribution and as I do understand it the only option would be to go back to the Legislature and go back to a referendum question. I think that is a debate that we need to have but first and foremost I would consider probably expanding this to ask every employee if it is something they want and if it is not I think we have to listen to our employees.

Alderman Lopez stated Mr. Dillon with all due respect to you, you were here on many occasions as a department head. Did you know about this?

Mr. Dillon responded I certainly was not aware of the details of the program. I was aware that the health insurance subsidy was being discussed but I will also respond that it is not my role as a department head to define employee benefits, create employee benefits or communicate employee benefits. That is the role of the Human Resources Department and it is the role of the Retirement system. As a department head, I am not involved in legislation to pass a benefit. I think that would probably be a conflict of interest in my role as a department head to do that. So again if your question is why wasn't I communicating with the employees, I certainly did not have the information regarding this benefit and as I said it is not my role.

Alderman Lopez asked as a department head, Sir, is it not your role to contact the HR Director or the Retirement system to find out what they are talking about for your employees.



Mr. Dillon answered I did contact both the HR Department as well as the Retirement system when these concerns were first expressed and basically the responses I guess I will try to quote from the Retirement system was “the horse is already out of the barn” and as I said I interacted with the Human Resources Director on behalf of employees that just recently expressed a concern that they feel they can't track these contributions because they are not being broken out separately and I was told that would not be possible.

Alderman Lopez stated I just want to mention the \$1.2 million that has been thrown around even before this went up to the state and maybe the Solicitor can correct me if I say anything wrong but the way I understand the process works is the Advisory Committee contacted the employees and made a referendum and they can go directly to the state and get the referendum passed and it is passed by the people. Is that correct? Did I say anything wrong?

Solicitor Clark responded I believe how this process worked is there was an Advisory Committee working with the Board of Trustees. They developed a package and brought it to the Trustees. I know there were some communications with employees. I just don't have that in front of me. It wasn't a legal issue so I wasn't involved with it. It did then go to the state and then to referendum.

Alderman Lopez stated I remember the retirement individual and he can speak a little later about this but I remember the people coming before this Board and explaining it and I remember the former Mayor standing up there and saying it is going to cost the City \$1.2 million. I think since it has been in place we know that it is not going to cost \$1.2 million and I believe that this is going to be a sufficient fund down the road. I will let the expert speak on that. This is not something new. This has been advertised...I personally went to a meeting at the Library where there were over 100 employees. Every department was notified. You know when people get benefits most people don't participate in the process until after the process is over with. A subsidy is given to teachers, police and just about everybody except City employees. They are almost like second class citizens to a degree. Benefits back 20 or 30 years ago there were people fighting for benefits for City employees. Ray Wiecezorek fought for City employees to give them a 3% merit increase and stuff like that. Those are benefits that come along with the territory and I am sure 10 years from now somebody is going to be fighting for something else. I don't think it is going to break anybody. Thank you, your Honor.

Mayor Guinta stated the one comment I will make is that this benefit we are fighting for is a benefit that the employees don't appear at the moment to want us to be fighting for. I feel like as a Mayor I have a responsibility to listen to that and to the extent that we can extend the courtesy to the employees and ask them now that this benefit is in place and now that there is more attention being paid to the issue we should at the very least consider providing the alternative of asking them if you don't want it do you want this Board to respond to that. At the very least it is a discussion worth having. On this one I would stand with the

employees and if the employees aren't looking for it...I have heard several employees say it is a significant amount of money in their weekly paycheck and that is something that concerns me and something that I am certainly going to listen to.

Alderman DeVries stated I don't have a question for Kevin Dillon as much as a comment that the place for this discussion needs to be with the trustees of the contributory retirement system. You are one of the members there and I am sure you will be bringing that up on their next agenda.

Mayor Guinta responded I have already brought it up.

Alderman DeVries stated it would appear to me that if there is going to be some sort of a full survey or questionnaire sent out to all of our departments that should be the entity that would put it forth or vote and decide if they want to put it forth so that our HR Department is not assuming that cost. They need to make sure that their employees know who their representative is on that Board. They do I believe have an elected position on the Board of Trustees that they vote for and I certainly hope that the Airport and Highway Department employees now recognize that they should all participate in that election process to make sure that they get an employee representative that will be responsible to them. I just don't think that the City should be taking on the cost for the poll. At this point in time I think that the contributory retirement system should recognize that if there are issues and if they do wish to rework this benefit they should do a little research and decide themselves how they want to go about that process.

Mayor Guinta called Mr. Gerry Fleury forward.

Gerry Fleury, Manchester Retirement System, stated I am not exactly sure where to begin.

Alderman Shea stated not to prolong this discussion but is there any presentation that you would like to make in refuting or answering or responding to what has been discussed tonight. I am primarily interested in how many City employees are interested in a subsidy in your judgement and how many are not and what are the implications of the recent surveys and so forth if you could kind of elaborate on some of those factors or points.

Mr. Fleury responded certainly I would be glad to. First of all, I am a bit astounded that I have heard so very little from the membership. I have heard from a lot of the retirees. They are obvious beneficiaries of this so they are excited about it and glad to see that it is happening. From the active membership we sent letters out once the legislation was passed reminding everyone that at some point we would begin taking the entire contribution amount out. I got a few phone calls but certainly less than five in total in opposition and wanted to know was it optional and could they back out of it. I probably got twice as many phone calls just saying that people were happy with the program and glad that it had gone through. In

all, I don't think it totaled a dozen different references. We did get one anonymous letter in opposition to the program and that was it. In my estimation there was precious little feedback from as large a group as is represented.

Alderman Shea asked how many City employees are eligible for this subsidy.

Mr. Fleury answered there are probably 250. Of the ones that are eligible who presently elected to stay with the City's insurance after retirement there are only 82.

Alderman Shea asked are you aware that there were certain polls or surveys taken at the Airport and at the Highway Department and what would account for the fact that a large number of these people are really not in favor of the subsidy, at least from what has been discussed by the Airport Director.

Mr. Fleury stated I was aware that the surveys were conducted at both the Airport and at the Highway Department. I requested a copy of the survey so that I would know what our constituency at the Airport was being asked to complete. That was very graciously and almost immediately provided and when I looked at it I became concerned because I had been misquoted that I had made a statement that at present only about 16% of those eligible to theoretically participate in the program were doing so. That was extrapolated to insinuate that 84% would never use it and so that particular quote was stricken from the survey that was sent to the Highway Department and I appreciated that. As far as any knowledge about the survey, the Retirement system was not involved in either of the surveys. It is the position of the Board of Trustees not to advocate for legislation favorably or in opposition to it but to disseminate information accurately. If you have a constituent group such as the Advisory Committee that comes forward and says we would like to explore the possibility of a health insurance subsidy. It is our role... so that you understand the rules of the game there are federal regulations that allow for a pension fund to collect funds and to be able to pay that out for health insurance subsidy purposes but they stop well short of allowing the pension fund to go into the insurance administration business and it does that by limiting the payment of that to the employer entity. So in this particular case people who work for the City of Manchester who have contributions taken out of their pay for a subsidy can have that subsidy paid to that entity that they retire from – the City of Manchester and that is where the limitation is. If it were paid in some other more universal way we would be paying out...we would go into the insurance business. We would be in the pension and insurance business and we don't have the authority to do that under federal regulations or state statute. There would be individuals that would say I elected to buy coverage from X, Y, Z insurance company so I want my subsidy applied to them. You can't do that under the provisions of the law. What you can do is if you have a retiree that says I worked for Manchester most of my life and I retired from Manchester and I want to be able to continue to buy my health insurance from Manchester what happens then is that we begin taking the money out of that retirees check and for the City it is simply a cash flow issue. The City has the cost of that

individual on their insurance premium rolls and they get the money back in the form of a monthly deduction from the retirees' check. Now with the introduction of this subsidy, the individual depending on how much service credit they have when they retire will have a cash subsidy amount that will take the place of some of that money coming out of their retirement check.

Mayor Guinta stated I thought you said members of the Board of Directors.

Mr. Fleury responded Board of Trustees.

Mayor Guinta asked so the Board of Trustees themselves are also not supposed to engage in advocacy.

Mr. Fleury answered there is a great temptation but I continuously remind some of them that it would be inappropriate for the pension fund to take on a certain role or to expend pension fund monies to advocate for greater benefits.

Mayor Guinta asked to your knowledge was any member of the Board of Trustees advocating or lobbying on behalf of this legislation in the City or up in Concord.

Mr. Fleury answered there were...I have to be careful because there were some people who were advocating subsequent to joining the Board. I think it is fair to say that some of the members of the Board of Trustees were favorably inclined to support the legislation.

Mayor Guinta responded well if that is the case is that a violation of the Contributory Retirement System policies.

Mr. Fleury replied well there is a difference between being favorably inclined to support something and advocating for it. I don't believe the Board of Trustees ever carried the banner in favor of this legislation. The Advisory Group went up and gave favorable testimony when it was in Concord. I simply went up to answer technical questions.

Alderman O'Neil asked Gerry how did the legislation over the years get introduced. Somebody went to legislators and asked them to introduce the various bills.

Mr. Fleury answered that is correct.

Alderman O'Neil stated to the best of my knowledge it was at least one member if not more of the Retirement Board.

Mr. Fleury responded there is a broad group of City workers that represent individuals who are in the Police Department and are not Group 2 and the Fire Department but not Group 2

and those individuals who are in the Manchester School District as paraprofessionals or school food and nutrition workers who are not in the retirement system, everyone in the Highway Department, the Airport, Water Works and so on. These individuals, both union workers and non-affiliateds, have a broad representation through a separate group. That group is allowed to use the meeting room at the Retirement system for monthly meetings and the purpose of that group is to find out what is happening within their retirement system and bring that information back to their constituency and also to dialogue amongst themselves whether or not they find that there are things that the retirement system currently does not provide for them that they would like to see out. It is that group that over the years has been responsible for finding a membered City delegation to sponsor their legislation and take it up to Concord. Once we get to that level and that legislation has been drafted, then the Retirement system Board has a responsibility to look at it both legally and actuarially to be sure that it is adequately costed. At that point, this Board would be notified that in fact a sponsor had been found for some legislation and you would be notified in writing by me as that legislation progresses through the process so that you would have the opportunity to either allow it to pass through or to speak against it when it reaches the legislature.

Alderman O'Neil stated with all due respect Gerry I don't believe that is what has happened over the years. I don't know how many times housekeeping legislation was introduced and we had changes in the system...if I recall didn't a bill or two have to get pulled this year because they were introduced without any approval by anyone? I don't know what is going on but I hope we can get to the bottom of it. I hope you are correct with what you said but I don't believe that is necessarily true.

Mr. Fleury responded in my tenure over the last few years when there have been a limited number of legislative initiatives I can guarantee you that I notified this Board on every event of significance. I can produce copies of the original documents along with the dates.

Alderman O'Neil asked how does this Advisory Group exist. Just on their own?

Mr. Fleury answered I don't know all of the history. I am not familiar with all of the history of how the group got started. There is an organization and it is referred to as COPE. Does that mean anything to you, Alderman?

Alderman O'Neil asked is it Coalition of Public Employees. That is generally unionized employees but yet to the best of my knowledge Gerry a lot of the legislation is driven by the non-unionized employees.

Mr. Fleury answered that is true. My point for bringing it up was that I believe COPE had some kind of role in initiating this group and once the group got together there were people who were dedicated enough to keep it going.

Alderman Garrity stated Mr. Fleury in your early statement where you said that the Board of Trustees or the Retirement Board wasn't supposed to advocate I find that hard to believe. As a matter of fact I would be willing to bet there were some signs on those people's front lawns that said, "Vote Yes on Question #2". That being said, how many full-time employees contribute to the subsidy currently?

Mr. Fleury answered the full membership is currently contributing to the subsidy. That is somewhere in the vicinity of 1,500 people.

Alderman Garrity asked and what is the weekly contribution.

Mr. Fleury answered it is 1.25% of their salary.

Alderman Garrity asked would the Retirement Board be willing to do an in-house survey of whether the employees are pleased with the subsidy or not pleased with it.

Mr. Fleury answered I don't feel that I am in a position to predict how the Board would vote on that. It would take a vote of the Board to authorize me to send out a survey. A survey of something whether it is in advance of a piece of legislation or as a follow-up to it is not something that I believe the Retirement system has traditionally done. I know that we actually sent letters out to the retirees because on the issue of public communication we thought that we were doing a fairly good job at getting the message out to the active members but we knew that we weren't getting that message out to the retirees and we wanted to get the message out of what this was all about before the question came up for a vote. There was a big argument over whether or not we were going to be allowed to send that out and the Board vacillated on it. First the message was no and then there was political pressure brought and the decision got changed and it went over the other way.

Alderman Garrity asked so what you are saying is that you folks probably wouldn't be willing to do a survey of active members. I would think as a Board you would want to kind of get the feeling of the participants in the program not just before or after something is passed but maybe on a yearly basis.

Mr. Fleury answered we have the resources to conduct such surveys and if the Board of Trustees directed me to do so, I would do so. I don't think that is anything that I have the authority to undertake on my own.

Alderman Garrity asked Mr. Clark do we have the authority to ask them to do that.

Solicitor Clark answered Mr. Fleury works for the Retirement system, which is a separate entity. He reports to their Board. This Board can ask that Board to conduct a survey and see what the response is.

Mayor Guinta stated I do believe that Alderman DeVries had a suggestion earlier. Was it that HR conduct a survey or was it...

Alderman DeVries interjected the other way around.

Mayor Guinta asked the other way around so there is no cost incurred. Well first can we find out would there be a cost incurred to do a survey if it is a paycheck stuffer? Is there really any cost or is it negligible cost? If it is a negligible cost would the Aldermen consider making a motion directing...

Alderman DeVries interjected if I could engage in conversation there will be a cost. Somebody has to tabulate the results and there are printing costs. I guess my point was although it is not significant I am really not sure on the City side that HR has built that into their budget. I am not sure that they have the reserves available to do that.

Mayor Guinta asked are we talking more than \$500.

Randy Sherman, Deputy Finance Director, stated I wouldn't think so. My suggestion would be that the Retirement Board put together the fact sheet that goes along with it and they can actually prepare the survey. From the City side it is just a matter of distributing it with the payroll checks. If you have 1,500 employees and a lot of those are over at the School District correct?

Mr. Fleury answered that is correct.

Mayor Guinta asked what about a motion from this Board asking the Board of Trustees to take up this issue.

Alderman DeVries stated I guess I really don't have a huge issue with us absorbing the cost on this although I still think it should come from the Retirement system itself since the benefit is through the Retirement system. That being said, if this Board wants to push it forward for the \$500 cost I am hoping that the Mayor would recognize that HR if they don't have the money available he would find the dollars for them in that department.

Mayor Guinta responded I would.

Alderman Shea stated let's assume for the sake of discussion that there is a survey taken. What happens then? What are we doing it for? What would be the purpose of it?

Mayor Guinta stated I think the purpose of the survey is to find out if City employees would like this benefit. If the survey comes in in favor of the benefit and they are happy with the benefit then it sounds like the issue would...

Alderman Shea interjected either way your Honor we don't have any jurisdiction over this. The state has to either change the type of legislation...what I am saying is and I am not objecting I am just trying to find out for the purpose of this are we trying to create a situation where we are going to find out a) that they want to keep it or b) that they don't want to keep it. Let's assume it is b and we send it up to the state and the state says well we don't care anyway let it stay or let it go.

Mayor Guinta replied if the employees were to take a survey and the survey came back stating that the employees do not want the benefit, I would certainly look to identify legislative solutions in Concord to allow a ballot question.

Alderman Shea asked so that is really what the purpose of it would be.

Mayor Guinta answered yes and again if the employees are giving us the indication that they are happy with it and they would like to continue participating in it then there would be no reason to file any legislation in Concord. At the very least it would take the full temperature of all employees given the fact that a high percentage of Highway and Airport employees are already opposed to it. At the very least I think we should extend that same courtesy to all employees.

Alderman Shea asked would you restrict that to just the people paying in to the subsidy or would you also send it to people who are now retired and benefiting from that. That is another question.

Mayor Guinta stated we would send them to both.

Alderman Lopez stated I think around the Board that some of the Aldermen have indicated information...I think that the CEO, Mr. Fleury, could provide minutes of the Advisory Board Committee or the Advisory Board when Harry Ntapalis was the Chairman of that Board. He is right with his assumption on how it got started. I think that the Trustees were informed of the Advisory Board opinion. They didn't interfere. It was a process as far as moving forward. This is a very difficult situation because surveys are like petitions. Sometimes you have to put everybody in one room and make sure that all of the same information is given at the same time. There is no reason why if it is such a major issue to be afraid of it, number one, but I think a better solution would be to take one day like a Saturday morning or have three or four sessions or whatever it takes to have the responsible people in front of the employees. The opposition can have their person and the true facts can be given on this. If it is a question of...if it is 51% for and 49% against what is this Board going to do? They are



going to turn around and who is going to sponsor the bill up there and go through that whole process? I say this again. There are people in this room that 20 years ago saw the benefit grow because of leadership that stepped forward. It is a benefit. Surveys are like petitions so if there is a concern let's get the Palace Theatre and have all of the employees come in and let's explain all of the facts. You cannot explain everything on a survey. It just can't possibly be done. I think that Mr. Fleury has explained it many times and I think Harry Ntapalis has explained it and the process is there. They tried to get the benefit. They did it. It was successful. There were people who thought it would never be done because of the \$1.2 million. The people did vote for it and that is the attitude. Send it to the people and let them vote for it. Thank you, your Honor.

Alderman Smith stated I think you have a Pandora's Box here and I will tell you why. We had a lot of employees on this pension that retired last year and you have a lot this year. Some are in state and some are out of state. All of the employees that retired last year or are going to retire this year or next year were definitely for it because they didn't have to pay that much into the system but they get the benefit. We can't do anything unless the law is changed in Concord. It is as simple as that.

Alderman Pinard stated I know we are beating a dead horse here. I think earlier in the discussion Alderman Gatsas brought it up and I think we should get the wheels in motion to get this on the ballot next fall. I think the Retirement Board should call a meeting like Alderman Lopez suggested at the Palace Theatre or a big hall. The only way the message is going to get to the employees as to what is going on is by communicating. From what I have heard here tonight I think that communication was pretty well broken off somewhere.

Mayor Guinta stated we have to figure out what we are going to do here. So either make a motion or we have to move on.

Alderman O'Neil asked whoever does the survey what is the survey going to prove.

Alderman Shea stated that is what I just asked a few minutes ago.

Alderman O'Neil stated any employee...the younger employees aren't going to want it because they are going to end up having to pay for it the next 25 or 30 years. Every improvement whether it is health benefits or retirement, somebody always has to, somebody always makes out a little bit on it, the newer people when there are changes. I just don't know what going through all of this is going to prove. I am very disappointed in some of the things that have gone on in the lack of communication and I don't want to say misinformation but not fully accurate information that has gone on. I just don't know what doing another survey proves.

Alderman Garrity stated I just think we should give the courtesy to the rest of the City employees that we gave to Highway and Airport. Will it tell us anything? It just gives us an idea of how our current employees feel about the subsidy and I think we owe that much to them to see how they feel about it and I would like to make a motion to that effect.

Alderman Lopez asked didn't you at the beginning say that you went to the Trustees. Did they give you some type of answer or anything?

Mayor Guinta stated at a Trustee meeting I expressed concern over the cost of the employer side of this and I also expressed concern about the number of employees that I had been hearing were not in favor. So as a result I decided to survey the Highway and Airport. Now here we are.

Alderman Lopez asked so the Trustees are saying that's it.

Mayor Guinta answered at the Board of Trustees meeting I expressed my concerns. I wasn't looking for guidance or direction. I was merely expressing my opinion as a member of the Board of Trustees.

Alderman Lopez asked could you go back there and request anything.

Mayor Guinta answered sure.

Alderman Lopez asked what would you like to request.

Mayor Guinta answered as a member of the Board I think it is evident that at the very least all employees should be asked if they are interested in receiving this benefit. Quite frankly if the indication from the rest of the employees in the City follows suit with what we saw at Highway and the Airport as a Mayor I would be inclined to try and reverse this action up in Concord. I am certainly not going to ask employees to pay for a benefit that they don't want.

Alderman Lopez stated I was wondering if you could take that survey and take it to the Trustees with the CEO and see what they say.

Mayor Guinta responded I would be happy to do it and I can bring it back to this Board before any action is taken.

Alderman Lopez replied well that is what I would like done anyway.

Mayor Guinta stated I would be happy to do that. I can come back to this Board the next time we meet and let you know if there was any action taken by the Board of Trustees and then we can proceed accordingly.

Alderman Smith asked Gerry how many employees are presently retired and going to receive this benefit.

Mr. Fleury answered 82.

Alderman Smith asked and what happens if it is rescinded. It was law when they received the benefit. Is it still going to pay those retirees?

Mr. Fleury answered that is a very good question because I consulted with the actuary when the controversy started to build and I asked the question specifically whether an insurance sub trust enacted by a public retirement system anywhere in the United States had ever been undone and the actuary was unaware of that having been done. So we would have to do some research. I think there would be a question of whether, even if we went in and repealed the legislation now, an entitlement of any kind has been created for those individuals who have either paid in some of that additional 1.25% or those people who will begin collecting the benefit before we would have a chance to repeal the legislation and if there is a cost how much would that be and who would end up having to pay it. If you are going to advocate stopping that 1.25% deduction but you hold on to the liability this body will end up having to look at a number that they may not like. I am not advocating one way or the other but you have to understand that if we created an entitlement someone will have to fund it.

Alderman O'Neil stated just one other thing and I don't need the answer tonight but I would like to know because I am told there is cheaper insurance for the retirees out there and this one bullet that is in here that says "the subsidy can only be used for City provided health insurance and cannot be used for anything else and if a retiree elects not to take the City health insurance they lose all of the money they contributed to the fund" are there other options that are cheaper than what the City health insurance is.

Mayor Guinta responded I don't believe that is under the purview of the Retirement system. I think HR would have to research that.

Mr. Fleury stated my understanding of it is that the regulations that allow us to do this only allow the Retirement system to collect the money from the member and the employer and then to remit those funds back to the employer. So the City would be free to offer any kind of alternate benefit it wanted to.

Alderman O'Neil stated whoever needs to get back to us to answer that.

Alderman Lopez stated that very question came up to the HR Director through the Advisory Board and since we deal with Blue Cross/Blue Shield and Matthew Thornton because that is the insurance that the City has and I know there are employees that take cheaper insurance

like you said but the HR Director's position is we deal with these insurance companies, these are the City's insurance companies and the final authority rests with the Board of Mayor and Aldermen.

Alderman O'Neil responded that may be the HR Department's position but there may be other options that this Board of Mayor and Aldermen could take into consideration. That should be presented to us.

Alderman Lopez stated that is correct. We could.

Mayor Guinta stated we will get that information for you. Just by way of information the next Board of Trustees meeting is April 11 so we will issue a communication to the Trustees asking for this to be an agenda item and at the second meeting of the BMA in April I will report back.

Alderman Gatsas stated I think it behooves this Board, before we start doing surveys with employees to find out if there is a relationship that we have now created that an actuary is going to say we are still vulnerable for a benefit. I don't think you can just do something and undo it and not have a huge liability going forward. I would have to get the minutes but when we had this discussion six or eight months ago I tried to express to this Board that they were to be very clear where we were going and we better get the answers and not make \$1 million decisions in an hour or two. I think before we do any surveys and before we find out and I don't question or disagree with Alderman O'Neil but if we have an opportunity to find a different benefit for these people we should do it but until such time that we get an answer from an actuary or legal counsel that tells us that there is not an unfunded liability that is available we best be very careful where we are going as a Board. I am not giving you legal advice. Maybe we can ask the Solicitor but I can tell you that I think we are treading on some very thin ice.

Mayor Guinta stated I think we will include on the documentation that we try to prepare a legal opinion at the very least as to what waters we are looking to tread into.

Alderman Gatsas responded I would suggest, your Honor, that you get it from the Retirement system rather than anywhere else to protect yourself and this Board.

Mayor Guinta stated in the letter that I sent to the Board of Trustees I will include that.

Alderman Lopez stated that is why they have a Deputy. They have a Deputy there and his description requires him to fulfill and act in the absence of a department head. I am not saying that sometimes we won't make a department head or you won't appoint a department head who is confirmed by this Board. I am not saying that. I am saying the process. All of

the chips are not on the table. I am saying let's send everything to Committee and if you want to vote on Frank Thomas fine. I will vote against Frank Thomas being an acting department head.

On motion of Alderman Shea, duly seconded by Alderman Roy it was voted to receive and file the communications.

- D.** Communication from Thomas Lolicata, Director of Traffic, advising of his retirement from the City of Manchester effective April 1, 2006.

Alderman Forest stated I know that you received a letter from Tom Lolicata, Traffic Director, that he was retiring and I just want to make a motion that as Tommy had over 43 years in City employment that we accept his retirement letter with regret. He is going to be sorely missed.

Mayor Guinta responded I will send that letter on behalf of the Board of Aldermen. When he did convey his retirement to me I did accept it with regret. I do think he has been a valued employee and certainly dedicated his career to the City of Manchester and certainly cares about the City. As a person who lives in the City and has family that still works in the City he certainly will be missed. I will certainly convey that from the Board of Mayor and Aldermen.

Alderman Shea duly seconded the motion to receive and file. Mayor Guinta called for a vote. There being none opposed, the motion carried.

**Report of the Committee on Community Improvement:**

- G.** Advising that funding for improvements at the intersection of South Willow and South Maple Streets have been requested at a presently estimated cost of \$80,000 if performed by the Highway Department. The Committee recommends that up to \$50,000 from CIP 411303 South Willow Street Fire Station Re-roofing be utilized towards this project and that the Planning Board be requested to approve \$30,000 from CIP 710227 South Willow Area Improvements and that the project moved forward.

The Committee notes that applicable resolutions and budget authorizations will be submitted directly to the Board at a later date following consideration by the Planning Board and final estimated costs of the project.  
(*Unanimous vote*)

Alderman DeVries stated this would be a question that I would have for the Planning Department because we do have several other projects...this is looking to encumber monies in the South Willow Area Improvement fund and there are two other projects that have already been authorized under the Planning Board that has the jurisdiction of those dollars that I don't believe have been completed or I know have not been completed. One would be South Porter at South Willow and several businesses I believe have paid into that so I would like the detail on that project. Highway can probably provide that. I also want to know the

encumbrance necessary to complete that project. The second one would be the two phases to be done this spring on Jobin Drive because that project has not...then we would have a true idea of what the balance of that fund is and make an actual recommendation to the Planning Board, which is what will need to happen. It is not under the domain of this body to vote the utilization of this fund. It goes to the Planning Board. So the question is the encumbrances on that fund and the second part is what are you presenting to the Planning Board.

Robert MacKenzie, Planning Director, stated I will get the detail, the numbers for you. I can tell you that there are actually two accounts and these are developer contributions totaling about \$220,000 or a little over \$220,000. There is about \$140,000 that was earmarked for the South Porter Street improvements. There was \$10,000 earmarked for the Jobin Drive traffic study. There was \$30,000 that is being requested by the CIP Committee to be considered by the Planning Board and I think there was probably or at least I had an understanding that we should earmark some of that money for improvements on Jobin Drive. The cost estimates that I have seen from that study would still be within the total amount of this fund. I will get the exact numbers for you although in some cases we don't have exact numbers.

Alderman DeVries stated so what I am hearing and I want to make sure the rest of this Board hears along with me is that if you forward this important project on tonight you are knocking off a project that I have been working on for two years with Jobin Drive that has already received a series of public hearings and it has an expectation of being completed this spring because as you just heard from the Planning Director he is saying that the study has been funded, that possibly he thinks that some of the improvements might be completed on Jobin Drive but you are likely encumbering dollars that the Highway Department has indicated to me might be necessary to do the promised improvements on Jobin Drive. My request would be that we get specific detail worked out between the Planning Department and the Highway Department before we move forward.

Mr. MacKenzie stated just to clarify, your Honor, it is my understanding based upon cost estimates from Highway that all of the projects could be accomplished.

Alderman DeVries responded I don't believe so. With the \$140,000 encumbered with South Porter that doesn't match up with the cost estimates that have been given to me. That is all I am asking of this Board is before you move this forward that we get that detail so that we know what we are acting on.

Alderman Garrity stated from the testimony from Bob MacKenzie and his statements there are adequate funds in the South Willow Area Improvement fund. I will remind my colleague from Ward 8 that Ward 9 does about South Willow too and there are problems on South Willow Street pertaining to Ward 9. Should all of that funding go to Ward 8? I don't think so.

Alderman DeVries asked can I respond to that because I would remind my colleague from Ward 9 that probably 2/3 of that fund has already been spent on sidewalks and improvements on Gold Street in Ward 9. Thank you.

Alderman O'Neil stated this project, through an agreement I think with many members of the Board was put off to this year. It should have been funded last year. I would hope that when information is presented to the CIP Committee that there is \$30,000 available that there is, in fact, \$30,000 available to do this project. This needs to be scheduled. Highway is going to do the work in house. They need to schedule it and we have identified another funding source to pay the balance of it. It is a safety issue. We are going to...we shouldn't wait until somebody gets killed at that intersection. We are lucky it hasn't happened yet and I think we need to move forward on that \$30,000. I take what Bob MacKenzie said that there is \$30,000 to do this project. He said it at Committee. I believe that is what he said tonight.

Alderman Shea asked Mr. Thomas do you want to come up and throw some heat on this argument here. Is there...

Mayor Guinta interjected if the issue is simply does the \$30,000 exist I think we have an answer.

Alderman DeVries stated no we don't.

Mayor Guinta responded okay well let's get an answer. Can we get an answer?

Mr. MacKenzie replied again I do not have the numbers here tonight. I know that the original estimate for South Porter Street was \$140,000 and that there was \$10,000 allocated to Jobin Drive leaving approximately \$70,000 in the fund of which \$30,000 would come out of it for this particular project. That would leave a balance of about \$40,000 in funds that the Board could...the Planning Board could authorize for Jobin Drive improvements. The projects that were ultimately selected on Jobin Drive were downscaled from what was originally anticipated and the cost estimates that I saw from Highway would fit within that \$40,000.

Mayor Guinta asked Alderman DeVries does that answer your question.

Alderman DeVries responded absolutely not because what he is saying is that the study was funded. We knew that. The traffic study was funded. There are two phases to improvements. One of them if my recollection is correct was \$80,000 and that is supposed to be completed this spring. Some of the inexpensive additions were done last fall. Those residents were told it was going to be completed this spring from Kevin Sheppard at the Highway Department and from others that have been involved in this project. So I believe

there is an encumbrance that we need a detail on to see what needs to be done. I don't think we got the detail from Planning. Highway definitely needs to weigh in.

Alderman Gatsas asked Mr. MacKenzie can you tell me when did this Board approve a study project for Jobin Drive.

Mr. MacKenzie answered the study started about...

Alderman Gatsas interjected let's try the question again. Did this Board ever vote to fund a study for Jobin Drive? Yes or no?

Mr. MacKenzie responded I don't know if this Board acted. This Board does not have to act though. It is the Planning Board that releases funds on that particular CIP account because it is developer contributions and it has to follow state statutes as to release.

Alderman Gatsas asked what are we studying on Jobin Drive.

Mr. MacKenzie answered Jobin Drive was requested by Alderman DeVries to look at traffic calming because of the concerns in the neighborhood about the speed and volume of cars along Jobin Drive.

Alderman Gatsas stated Mr. Thomas correct me if I am wrong but how many times have calming situations been looked at for Jobin Drive to see if we could do something including speed bumps and stop signs and all of the other things. Has that been done in the course of the last 20 years a few times?

Mr. Thomas responded I am not sure about a few times but under this last study it had been looked at. There was a consultant that was brought on that made some traffic calming recommendations. Staff reviewed them and put together a phased approach to implement them. The measures were basically approved by staff and concurred with residents in the area. Some of the improvements that have been done have been additional stop signs placed. There is a proposal to put some others in the area.

Alderman Gatsas asked Mr. MacKenzie can I get a study to see if we can't slow traffic down on Maple Street. A calming effect on Maple Street? I think there was a death on Maple Street. I would think that we should use some of those studies to see if we can have a calming effect on Maple Street or Beech Street.

Mayor Guinta stated I would like Mr. MacKenzie to answer that question. That is a serious question.



Mr. MacKenzie stated there has actually been more than one death on Maple Street. The City can examine and not with these particular funds because they were developer contributions from South Willow Street but the City certainly could set aside funds to evaluate what to do about the traffic speeds on Maple, which are relatively high.

Alderman Gatsas responded I see. So what you are saying is...your Honor I guess my follow-up is because Jobin Drive is perpendicular to South Willow Street that entitles the developer's funding to do a study on Jobin Drive.

Mr. MacKenzie stated there were three purposes set out back when the Planning Board started working with developers. Those were to improve traffic flow on to South Willow Street so that it was less congested and there have been funds including federal grants to help streamline traffic flow on South Willow Street. It was designed to protect pedestrian safety, which the proposed project at South Willow and South Maple would come under that and it was set up in order to help protect the residential neighborhoods from the impact of more commercial development. So there have been monies spent on Gold Street as Alderman DeVries said to try and help protect that neighborhood from the traffic volumes and Jobin Drive would qualify under that aspect.

Alderman Forest stated I don't know if the discussion is over but could I make a motion that we table this until Alderman DeVries gets her answers. We are beating around the bush here as to whether we have this money or we don't have this money. Why don't I just make a motion that we table it until she gets the information?

Alderman DeVries duly seconded the motion to table.

Alderman Garrity requested a roll call vote.

Alderman O'Neil stated this thing has been before the CIP Committee not for one month but for over a year and again I would hope that when something is presented to us it is accurate. I believe it is and that there is \$30,000 to protect pedestrian safety at the intersection of South Willow and South Maple Street. This project needs to get scheduled by the Highway Department so it is going to get done this year. They are doing it in-house. Delaying it is not going to prove anything. It is appropriate use of the money. Let's get the project done.

Alderman DeVries stated I had indicated to Alderman Garrity and certainly I made him aware of the availability of these funds and had told him that if there were dollars left over after the Jobin Drive project those would be accessible to him to help him accomplish his project. Jobin Drive was already in place and being acted on at the point when he first came with his proposal. I just don't want him to take away the availability of a project that has been going on for over three years to be completed this spring as well.

Alderman Garrity stated this has been on the agenda for close to a year in CIP and you had no...you didn't even have the courtesy to call me. You just bring it up tonight.

Mayor Guinta stated there is a roll call vote that was requested by Alderman Garrity. Aldermen Garrity, Smith, Roy, Gatsas, Long, Duval, Osborne, Pinard, O'Neil, and Lopez voted nay. Aldermen Forest, Shea and DeVries voted yea. Aldermen Thibault was absent. The motion failed.

Alderman Roy stated I need clarification because I have heard two very conflicting things this evening and there was a sidebar conversation going on when Mr. MacKenzie was talking. My understanding is that there is \$30,000 in CIP. Mr. MacKenzie has said that that is available and unencumbered to go towards this project, Item G. Mr. MacKenzie, when you were speaking did you say that that money is absolutely clear after the Jobin Drive improvements get done at a cost of \$40,000?

Mr. MacKenzie responded based upon my understanding of the Jobin Drive improvements, which have been downsized, I believe it is. I do want to note that the Planning Board has not allocated any money for improvements on Jobin Drive at this point. They have approved for the traffic study but they have not allocated any improvements for the Jobin Drive project.

Alderman Roy asked when you say downsized, who downsized that from the traffic study.

Mr. MacKenzie answered the traffic study is not downsized. The improvements proposed basically came back from the neighborhood – there were several neighborhood meetings that I think several of us attended. They did not like several of the larger more costly proposals so the project as I understand it now is relatively modest compared to what was originally proposed by the consulting engineers at the request of the neighborhood.

Alderman Roy asked no matter what we do with Item G this evening, whether it is to table it, approve it or deny it, it still would have to go back in front of the Planning Board for funding correct.

Mr. MacKenzie answered yes.

Alderman Garrity moved to accept the report of the Committee on Community Improvement. Alderman Osborne duly seconded the motion. Mayor Guinta called for a vote. The motion carried with Alderman DeVries being duly recorded in opposition.

Alderman Gatsas stated I certainly respect that Alderman DeVries understands that those funds are with Planning but I think that this full Board would at least be acknowledged or told that there is a project going forward in this City with funds from the Planning Board that

we don't have any idea of. I think that that should at least come to this Board for informational purposes so that we are all aware of it.

Alderman DeVries responded that particular project was before this full Board on numerous occasions so it has come before the Board.

Mayor Guinta stated in the future would it be appropriate for the Board to ask Mr. MacKenzie to provide this Board for informational purpose any future expenditures that do not require a vote of this Board but I think this full Board would like that information.

Alderman Gatsas stated I agree with what you are saying but I think this Board should also know where every pot of money is so that we all have the ability to access it.

Mr. MacKenzie stated every time the Planning Board takes an action on approving or disproving a project we will notify the Board of that. I believe they have in the past but I will make sure that happens.

Alderman Roy stated I would also ask Mr. MacKenzie when there is a vote of the Planning Board and hopefully your estimation is accurate in regards to the number needed for Jobin Drive to keep those constituents happy on the \$30,000 that we just allocated that you would report that back to this Committee.

Mayor Guinta stated I think we are now done with the consent agenda.

Alderman Shea stated on Item B, which is a communication from Mayor Guinta advising of the City's withdrawal from the United States Conference of Mayors, what was your reason for that.

Mayor Guinta responded I felt that the \$12,300...

Alderman Shea interjected how much is it.

Mayor Guinta stated I felt that the \$12,300 being spent by the taxpayers was, in my opinion, not a good use of taxpayer money. I think it is incumbent upon my office to keep in contact with our Congressional delegation. I hope that this Board feels that we are doing that to insure every advantage that we should have to insure federal dollars come back to the City. I also can for informational purposes participate in U.S. Mayor conferences without being a member so should that need ever arise I would certainly notify the Board before I did that.

Alderman DeVries left the meeting.

**Manchester Development Corporation - confirmation**

Confirmation of the nomination of Cathleen A. Schmidt to succeed Scott W. Ellison as a member of the Manchester Development Corporation Board of Directors, term to expire March 11, 2009.

On motion of Alderman Long, duly seconded by Alderman Pinard it was voted to confirm the nomination of Cathleen A. Schmidt to the Manchester Development Corporation Board of Directors term to expire March 11, 2009.

**Confirmation of nominations to the Board of Adjustment:**

Michael Langton to succeed George McNamara, term to expire March 1, 2009;  
Brian Desfosses to succeed Steve Freeman, term to expire  
March 1, 2009; and  
Joseph K. Levasseur to succeed Brian Desfosses as an alternate member, term  
to expire March 1, 2007.

Alderman Lopez requested a roll call vote.

Mayor Guinta stated we will take them one at a time.

Alderman Gatsas moved to confirm the nomination of Michael Langton to the Board of Adjustment, term to expire March 1, 2009. Alderman Duval duly seconded the motion. Mayor Guinta called for a roll call vote. Aldermen Lopez, Shea, Smith, Forest, Roy, Long, Osborne, and O'Neil voted nay. Aldermen Garrity, Gatsas, Duval, and Pinard voted yea. Aldermen DeVries and Thibault were absent. The motion failed.

Alderman Garrity moved to confirm the nomination of Brian Desfosses to the Board of Adjustment, term to expire March 1, 2009. Alderman Gatsas duly seconded the motion. Mayor Guinta called for a roll call vote. Aldermen Lopez, Shea, Smith, Forest, Roy, Long, Osborne and O'Neil voted nay. Aldermen Garrity, Gatsas, Duval and Pinard voted yea. Aldermen DeVries and Thibault were absent. The motion failed.

Alderman Garrity moved to confirm the nomination of Joseph K. Levasseur as an alternate member of the Board of Adjustment, term to expire March 1, 2007. Alderman Pinard duly seconded the motion.

Deputy City Clerk Johnson stated before you take that motion I need to review...Your Honor alternate Brian Desfosses is listed as a term expiring March 1, 2007 so unless he has submitted his resignation there is no vacancy for that position. There appears to be a vacant position but I haven't confirmed that. I am in the process of trying to confirm that. My understanding if I am reading the agenda...

Mayor Guinta interjected is it because Mr. Desfosses has been denied to succeed Steve Freeman.

Deputy City Clerk Johnson responded and he has not resigned the alternate position to my knowledge so that position is not available until he resigns.

Mayor Guinta stated so he stays on as an alternate...

Deputy City Clerk Johnson interjected until March 1, 2007.

Mayor Guinta stated so there remains three alternates. Can you have up to five alternates?

Deputy City Clerk Johnson responded it is my understanding under the state statutes that you can.

Mayor Guinta asked so can this vote be taken.

Deputy City Clerk Johnson answered not in the manner that has been set forth. I would defer to the Solicitor.

Mayor Guinta asked what would be an appropriate motion.

Solicitor Clark stated since there is no vacancy for which Mr. Levasseur was nominated you would have to renominate him for a vacant position.

Mayor Guinta asked and there are no vacant positions.

Solicitor Clark stated the zoning ordinance and state statute allows up to five alternates for the Zoning Board. Currently there are three. The practical policy of the Board has been to keep it at three but the ordinance does allow for five.

Mayor Guinta asked is there a way that vote can be taken this evening.

Solicitor Clark responded your rules call for a nomination...if you were going to nominate Mr. Levasseur it would be to one of the vacant positions, one of the five and under your rules normally that is carried over to the next Board meeting unless you suspend the rules and confirm him this evening.

Mayor Guinta stated so the option...really the option I have is to nominate to a fourth, which has not been a policy of the Board and if I did that that would lay over until the next meeting.

Joe Kelly Levasseur stated he wished to have his nomination withdrawn and it was so done.

On motion of Alderman Gatsas, duly seconded by Alderman Pinard it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Guinta called the meeting back to order.

### **OTHER BUSINESS**

A report of the Committee on Finance was presented recommending that Resolutions:

“Amending the FY2005 Community Improvement Program, authorizing and appropriating funds in the amount of Forty Five Thousand Seven Hundred Ninety Seven Dollars (\$45,797) for FY2005 CIP 210105 Homeless Health Care Program.”

“Amending the FY2005 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Fifty Thousand Dollars (\$150,000) for the 2005 CIP 711705 WWTF Facility Plan Project.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Eight Thousand Dollars (\$8,000) for the 2006 CIP 214306 – 6% Incentive Fund Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 410706 NH DWI Patrol Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 410806 NH Speed Enforcement Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 411906 Manchester School Bus Enforcement Patrols.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thirty Seven Thousand Three Hundred Seventy Eight Dollars (\$137,378) for FY2006 CIP 412106 Homeland Security Exercise and Evaluation Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Five Thousand Six Hundred Four Dollars (\$5,604) for the FY2006 CIP 610606 Housing Rehabilitation/Lead Paint Hazard Remediation Program.”

“Amending the FY2005 and 2006 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Twenty Five Thousand Dollars (\$125,000) for the 2006 CIP 712006 S. Mammoth Phase 3 Project.”

ought to pass and be enrolled.

On motion of Alderman Garrity, duly seconded by Alderman Pinard it was voted to accept, receive and adopt the report of the Committee on Finance.

State Legislative update by Mayor Guinta.

Mayor Guinta stated we are pleased to report that Senate Bill 250 passed in the Senate last Thursday, which addressed lead poisoning problems particularly in Manchester. It clarifies the enforcement procedures regarding orders of lead hazard reductions. As you know the number of lead poisoning cases in Manchester is considerably higher than the normal average so this is certainly a measure that will help us combat that. I do want to thank our Senate delegation – Senator Gatsas, Senator D’Allesandro and Senator Martel for making sure that this bill was expedited through the Senate. I will also be up in Concord next week to testify at the Senate public hearing on biennial budgeting that is before the Municipal Affairs Committee of the Senate and I certainly hope that there will be favorable resolution of that legislation.

Alderman Long asked could we get an update of the legislation. Do you have copies available? I know that you update them.

Mayor Guinta asked when is the next tracking sheet slated to go out. Tonight? Okay we will get it out to you tonight. Craig will deliver them to your house either tonight or tomorrow.

Communication from Mayor Guinta recommending the Board adopt an ordinance to provide for an Acting Director of the Traffic Department to allow the naming of Frank Thomas for such position and further recommending that the Board consider a proposed consolidation of the Traffic Department into the Highway Department.

Alderman Forest moved to refer the item to the Committee on Administration.

Mayor Guinta stated the issue with that is we are under a bit of a time crunch. Tom Lolicata’s retirement is effective next week.

Alderman Forest replied I understand that but we kept the Economic Development Office vacant for almost two years and I don’t think we need to act on this tonight. My motion stands if I can get a second.

Alderman Shea duly seconded the motion.

Mayor Guinta stated well I am not going to accept that motion. I would prefer to ask the Board to suspend the rules and I would ask for a motion.

Alderman Garrity moved to suspend the rules and adopt the ordinance. Alderman Gatsas duly seconded the motion for discussion.

Alderman Lopez stated in reference to making Frank Thomas an acting department head of the Traffic Department, I am totally opposed to that. I think that Frank Thomas is an excellent department head. I think that Frank Thomas could assist the Traffic Department in presenting anything that Randy Sherman or the parking committee or whatever they want to do to make an Enterprise to the Committee on Administration. I think that is very important number one. Number two, we have had a Deputy Director in that department for over 25 years. I know the employees in that department. I know that they are capable of doing a lot of things that they have been restricted from doing. I think they have some great ideas. I don't think they have been given a fair chance. I look at this as if the Board would appoint Frank Thomas it would take a vote of eight. To repeal that ordinance it would take a vote of ten. I remember when the Acting Director of Human Resources was here for three years acting and nothing was done. I don't think it is the way to go. I agree with Alderman Forest. If you want to take a vote on this and then we can send the rest of the information to the Committee on Administration and find out the true numbers and the different questions from HR and move forward with the process. I believe that there is some...two years ago I talked to Randy Sherman and I think he will verify that I talked about Enterprise systems on some portion of Traffic. So it is not a new idea but I am willing to move forward and send it to Committee and wear out the bugs. So if you want to take a motion, whatever the motion is, I am recommending that we not suspend the rules and that we don't make Frank Thomas an acting department head.

Mayor Guinta asked so is your suggestion to have no acting department head.

Alderman Lopez responded you have a deputy.

Mayor Guinta replied correct there is a deputy but you are saying we should not have an acting department head.

Alderman Lopez stated in testimony and I don't want to read the whole thing but in testimony in 2002 and 2003 from the HR Director we went through the same process.

Alderman O'Neil asked what happens if there is no department head.

Solicitor Clark stated the normal process would be for the deputy to act in the department head's absence.

Alderman O'Neil asked that is if either the Mayor or Board of Aldermen did not take any action. That would happen anyway?

Solicitor Clark answered correct. His job description as I understand it requires him to act in the absence of the Director.



Alderman Gatsas stated I guess the HR Director isn't here but my question is the people that we are eliminating if we phase out their positions as you have said here...I think the phase out of the deputy position, the administrative services manager and one of the sign painting technicians...I would like to have some information on those employees and whether retirement is available to them or not or are we just putting them out on the street after years of service.

Mayor Guinta stated that is a good question. This is a recommendation. I have talked to the Chairman of Administration and have expressed certainly my interest in not just advocating for the consolidation and restructuring but I also recognize that maybe not everybody on this Board agrees with the recommendation that I have put forward as it exists today, which is why I think it should go to the Administration Committee. I will certainly work with the Administration Committee. I think first and foremost this body needs to send a message that we have to do what is right from a business perspective not always from a personality perspective. If that means that we have to come to some sort of mutual agreement as to what a final consolidation would look like I am certainly willing to work with the Committee on that. It is certainly not my intention to put Frank Thomas in a situation where we are voting in favor or opposed to him because this is not about personalities it is about what is the right thing to do from a business perspective. What I can do and I have asked the Retirement System for that information. It will be forthcoming hopefully by week's end. What I can do is provide that to the Committee as well to insure that those issues are addressed. It will include the financial numbers. I can tell you that part of the proposal is to...an upcoming proposal is going to be to create a parking enterprise fund and some of the employees that we are looking at in this consolidation would theoretically or could theoretically be moved into that enterprise as well.

Alderman Gatsas responded that doesn't answer my question. You are asking me to vote on something and then you are telling me you can provide me with information later this week. What I am voting for right here...

Mayor Guinta interjected is not a consolidation. I am asking for it to be referred to a committee for review.

Alderman Gatsas responded but on your recommendation of...

Alderman Forest interjected that was my motion your Honor.

Alderman Gatsas stated your communication is recommending that the Board adopt an ordinance to provide for an acting director of the Department of Traffic to allow the naming of Frank Thomas to such position and further recommending that the Board consider proposed consolidation of the Traffic Department into the Highway Department. Now that

proposal that you are bringing forward I would assume we have to look at these positions that are being eliminated so you are asking me to vote on elimination of positions and you haven't given me the information...

Mayor Guinta interjected there are two portions of the motion. First to name Frank Thomas as acting director and the second one is to refer a proposed consolidation to the Committee on Administration. If this is referred to the Committee on Administration, the Committee would then take it up...I have a proposal. It doesn't mean that the Committee is going to recommend the proposal that I have put forth but I did feel that it was my obligation to put forth a proposal and what I would say is this. If there is a motion made by Alderman Garrity and seconded by Alderman Gatsas...if the will of the Board is more interested in moving this to Administration and not having an acting director at the moment then I would ask Alderman Garrity and Alderman Gatsas to remove their motions and we can send this to Committee because the interest that I have is doing what is in the best interest of the taxpayers and from a business perspective I think it is coming up with a consolidation that we can all agree on.

Alderman Forest stated I can rephrase my motion.

Alderman Gatsas withdrew his second and Alderman Garrity withdrew his motion.

Alderman Shea stated you know you get a background of what the Traffic Department is when you speak to workers there. There is a gentleman in the audience here, the father of four children, and the implication is very severe in his case. In other words, he could be laid-off and he is probably a master electrician -someone who protects the safety of you when you drive home and me when I drive home and the implications are far reaching. When we decide to do something we have to find out exactly what the implications might be. We could be left here with the City if your ordinance passed with one person handling the safety of our City because there are three people in one section of that department – one is out sick, that person because of union contractual agreements would be laid-off and you would have one person in this City handling all of the different signalizations. So when decisions are reached at the higher level but the implications are felt at the lower level we have to be very careful about how we do things. There are unintended consequences. I have used that several times. I am not faulting you, your Honor, I am just saying that the Alderman in Ward 12 made a suggestion that we send it to Administration and I think that makes a lot of sense in this case. I don't want us to do anything that is going to jeopardize the safety of anyone in the City because we may save a few dollars. Maybe not. We have to look into that.

Mayor Guinta stated I appreciate your comments. My intention and purpose of identifying an acting director is so you can have an acting director and a deputy director. There is a separate issue of a consolidation proposal. Your point about safety I do feel that safety is

important and having two people in that position at the moment I felt with having an acting director and deputy was important. I do think moving forward we have to consider looking at the alternatives for the department itself and whether the responsibilities of the department based on the establishment of an enterprise, what would be left in terms of responsibilities in the department. It sounds like it would probably be, at least based on the proposal that I have put forward, line painting and obviously my proposal includes what I think we should be doing with line painting. That being said and to me at the moment it certainly enhances the safety issues. Your example right now I think is the example that I am very, very concerned about because if we move forward without an acting director then you just have that one person.

Alderman Shea replied I am not talking about a Director at all. I am talking about people who work in a specific area of the Traffic Department. The Deputy Director of the Traffic Department is very familiar with the operation of the Traffic Department. I am talking about the implication of consolidating the department with the Highway Department, therefore, union practices come in to bear so that people who now protect us by protecting the safety of our particular city with traffic concerns that have to do with signalization and so forth, there is a problem in that regard because this particular person who was last hired would be first fired. That is what I am trying to indicate. It has nothing to do with a Deputy or head Deputy or so forth and so on. What I am trying to say is that once we talk about either consolidation or combining departments into another department sometimes we are penny wise and pound foolish from the point of view of safety. That is all I am saying. It has nothing to do with the Deputy and so forth. I am quite content with that.

Mayor Guinta stated I would note that the proposal I put forward does keep three signal technicians but again it is...

Alderman Shea interjected it keeps them but I am trying to tell you when they go into a different department, your Honor, that a person that goes into that department from another one who is the last one hired by union practices is the first one let go and so in that particular instance the person that was last hired by the Traffic Department who is part of the signalization group right now of three people – one is out with an illness right now so two people and one of them would be fired because he would have to be replaced by a union person. That is how it works.

Mayor Guinta responded again that is why I am asking that the Administration Committee review this. Again I think what we need to do is identify a much more efficient and a business approach to how we perform these services. I am certainly committed to working with the Committee to find some mutual agreement on how we move forward. I know that Alderman Forest has a motion.

Alderman Forest stated I have a comment first and then I will restate my motion. One, the Director or the Asst. Director in Traffic right now is very qualified to run that department in the interim. My motion would be that if you want a Director or an Acting Director the motion would be that we appoint the Assistant Director Acting Director and then we refer this whole thing to the Administration Committee and then we can discuss it there. Again, I am sure the Asst. Director and that is Jim Hoben, I have worked with Jim over the last five years and maybe 25 more years when I was on the Police Department. He is very qualified to run that department and has on occasion. I think he does a great job. That is the motion I will make.

Alderman Gatsas stated I think that Alderman Garrity and I withdrew a second and a first based on moving this thing to Administration and not filling a position or moving people into positions. So I guess I will move to refer it to the Committee on Administration.

Mayor Guinta stated I am certainly willing to work and try to identify consensus with the Board.

Alderman Lopez stated I think there is a motion on the table.

Mayor Guinta stated I am not looking to nominate Frank Thomas as the Acting Director. My preference would be let's just send the request to Administration. If that could be the motion I would certainly...

Alderman Forest interjected that is my motion. Alderman Shea duly seconded the motion.

Alderman Osborne stated the way I feel I guess everybody knows that, they read it in the *Union Leader* but I think that all of the Aldermen here know which way they are going with this. I don't know what going to Committee is going to do.

Mayor Guinta responded again I do think that the Aldermen need to read this proposal, review the proposal and consider it in Administration. I have talked to the Committee Chairman and he has been gracious in considering this proposal. It doesn't mean that this proposal is going to be the request or the suggestion of the Board. We have to start thinking differently in this City and if we want tax relief and we want...quite frankly there are probably ways we can improve service and I know that you are concerned about services.

Alderman Osborne stated it is just not personality here either. There is a lot more to it than just personality. All we are talking about here is personality but I am not talking about that at all. There is a lot more to it than that. I don't want to get into that but like I said everybody knows which way they are going here so I don't know why this is going to Committee.

Mayor Guinta responded well I don't think that is the case.

Alderman Osborne replied I do.

Mayor Guinta stated I think there is a genuine willingness to look at how we can be more efficient in the City and if there is not a genuine willingness then we are not doing our jobs as elected officials.

Alderman Osborne stated your Honor I have dealt with these people for many years, back 20 years ago and they do a wonderful job out there for what they have for monies. I just can't see...well anyway let's do what you want to do and take a vote on that.

Mayor Guinta responded I would certainly appreciate at least sending it to Administration. You haven't even seen my proposal yet about the parking enterprise system. To make up your mind before you even read the proposals...

Alderman Osborne interjected couldn't we still do that the other way or does it have to be consolidated in order to do the enterprise.

Mayor Guinta replied again what I am asking is that this be referred to Administration and I would hope that the Board would consider that.

Alderman O'Neil stated your Honor I know that there are members of this Board on both extremes. There are some that feel very strongly that we need to make significant changes and there are others that don't believe we need to make any changes. I will take a lesson from my longtime colleague Bill Shea and I actually looked up the definition of a word. It was compromise, which means come to an agreement by mutual concession; to find or follow a way between extremes. I hope that as we go through this process we can reach a compromise not only in the best interest of the taxpayers and the citizens in general of the City but also the employees of the department. I am very optimistic that we will be able to reach a compromise on this. Thank you.

Alderman Smith stated I have been here five years and this has come up for four years – consolidation. I believe that you were opposed to it last year. I would like to go along and say the Traffic Department was part of the Highway Department in the 60's and I would like to give you one incident. They were out plowing one night in a snowstorm and the two technicians were driving the same plow and someone took down a light standard. Well guess what happened? They brought the crew in and fixed the light but the snowplow route wasn't done. The same thing is going to happen with consolidation. You are going to lose direct services. I know that when I call up the Traffic Department the situation is taken care of either that day or the next day and if it is a safety issue they will go out at 4 or 5 to fix a

traffic light and so forth. I hope you people realize that you are going to lose direct services and if you didn't learn from Waste Management you won't learn now.

Mayor Guinta asked is this something recently that you are referring to.

Alderman Smith answered no it was back in the 60's when the Traffic Department was part of the Highway Department.

Alderman Roy stated a lot has been said here this evening and I would like to reiterate a couple of things that I honestly believe. If we are going to vote on something when it comes to this level, one we have a committee process that has to analyze it. Every Alderman can go to every committee meeting and ask questions. Right now we have a proposal in front of us that has some cuts and some information but we need every ounce of information. Who is going to pick up the slack, where it is going to come from, what impacts this proposal would have to Highway...I would hate for us to go ahead and vote for something based on savings alone and not what is going to happen to constituent service, what is going to happen to employee benefits, what is going to happen throughout the department and throughout the City. We tend to, when it gets to the 10 PM or

11 PM hour to really shut things down and make decisions. The conversation we had earlier in Lands and Buildings was a five or six month long conversation. We need to take the full due of this, send it to Committee, the Deputy Director has in his job description already that when Tom retires he steps up and does the job and I think he is willing to do that. Let's send this to Committee, get every fact out there, analyze what it is going to do to the City and then we can move forward with a good plan that will benefit the taxpayers.

Alderman Duval stated I want to applaud the efforts for considering consolidation. I think it should be aired openly and there should be a frank discussion about it whether it is coming from you, Mayor Guinta, or your predecessor or any Mayor that comes after you. As Alderman Lopez pointed out it should be debated in Committee and I think each of us will have an opportunity to hear the facts and make a judgement based on the facts that are presented. Mayor you have presented your consolidation proposal. I think we should applaud Jim Hoben and his staff for presenting a consolidation proposal of their own that preceded the Mayors. I just think that going back to what Alderman O'Neil said we should probably bring some calm to the situation and not jump to conclusions. It is only going before the Committee. Let the Mayor take that opportunity to present his case to each of us individually and collectively. I am sure there will be ample opportunity for Mr. Hoben to present his case as well. Let's make a decision after the facts are presented and come in. I think we are obligated to take a hard look at increasing efficiency in government. I think we all take that responsibility very seriously and why not. There might be some new ideas that come forward and at the end of the day we can all feel good about doing our job thoroughly and effectively and acting in a very judicious manner. I think we should try to bring some

calm to the situation as opposed to trying to exacerbate or based on personality making judgements tonight.

Mayor Guinta called for a vote on the motion to refer the consolidation proposal to the Committee on Administration. There being none opposed, the motion carried.

Alderman Lopez stated I would ask the Chairman to schedule the meetings, one or whatever it takes to look at this issue.

Alderman Garrity stated I would like to ask the Clerk's Office that when those meetings are scheduled they don't schedule other Committee meetings at the same time. Some of us are in different rooms at the same time. I think it is a very important issue so I think we should just have that Committee meeting and no others.

Communication from Paul Borek, Economic Development Director, requesting \$33,339.70 be held in contingency in the event such funds are needed by the department at year-end due to the retirement of Jane Hills.

Alderman Lopez moved to approve the request. Alderman Gatsas duly seconded the motion for discussion.

Alderman Gatsas asked is there any way that we can find out what this employee earns and obviously if they are leaving on the first of April that leaves two months of funding that is available in this contingency so we have a better idea of...we are not going to need the whole \$33,000 for a cash out.

Mayor Guinta stated that information will be forwarded.

Alderman Gatsas stated the motion then would be whatever the difference is between the salary and the \$33,000 we will take from contingency.

Alderman Lopez asked Mr. Borek did you check these numbers out with the HR Director. I know the Alderman brings up a very good point. When we pay for two months let's say is this severance pay or something? Is this over and above...has the salary been included? Normally when these things come before us they include the salary. Is this in addition to using the salary line item? I think Alderman Gatsas brings up a very good point.

Mr. Borek answered this is the total estimate of the severance pay out.

Alderman Lopez asked but what about the two months that you have that you don't have to pay her. Is that included?

Mr. Borek answered no it is not included.

Alderman Lopez asked so this request hasn't been through the HR Director to get the final number of the Finance Department.

Mr. Borek answered this request came from an estimate of the severance cost.

Alderman Lopez stated maybe we should table this until you talk to the HR Director.

Mayor Guinta asked did you just say that it is an estimate based on a discussion you had with the HR Director.

Mr. Borek answered right regarding the severance pay out only.

Alderman Lopez stated right but I think he brings up a very good point. You still have two months of pay that could be used for this.

Mr. Borek responded that is correct.

Alderman Lopez stated that is the point I wanted to make.

Alderman Roy stated I think I may be able to settle some of the discussion regarding the two months worth of pay. I believe you are advertising this position?

Mr. Borek answered yes.

Alderman Roy asked and you are looking to fill this position as soon as possible.

Mr. Borek answered yes.

Alderman Roy stated so the pay of this position whether it is the employee that is retiring as of April 1 or a new employee hopefully hired soon thereafter will be absorbed by your budget. This is just the severance amount that has been estimated by the HR Department correct?

Mr. Borek replied that is correct.

Alderman Roy stated we have had hundreds of thousands of dollars worth of reports come in front of this Board in the last six months and we are down to an Economic Development Department that is a skeleton. I think we should be doing everything to bolster this department, not worry about leaving a position open for two months to offset severance pay for an employee that is retiring.



Alderman Gatsas stated with all due respect, your Honor, I never said to leave the position vacant. If you didn't fill it then those funds should be used for the severance.

Alderman Roy stated I am not addressing what Alderman Gatsas said. I am just saying that we should be trying to fill the position. I wasn't addressing any Alderman or any comments made by a specific Alderman. At every meeting we have talked about bolstering the Economic Development Department and that is the only point that I am making. We shouldn't ask him to come back with savings for not filling that position. We should be encouraging him to fill the position.

Alderman O'Neil stated we are honored this evening to have Mr. Hodgen representing the HR Department. We haven't hit that cycle where we see him regularly. I don't know if David has anything he can add to this.

David Hodgen, Chief Negotiator, stated I think that the basic consideration is that if the position were left open then the salary savings could be used to offset the severance pay but if the decision is to fill the position as soon as possible then those salary savings would probably not be available.

Mayor Guinta stated I know that Paul takes filling the positions very seriously and going through the applicants does take time. To the extent that there may be a savings while maintaining the critical need to fill the position I think there is potentially some wiggle room. Would the motion be up to \$33,000...could we amend it to be up to \$33,339.70?

Alderman Gatsas stated if we just move it along we are fine and we will find a resolution.

Alderman Shea asked, Mr. Borek, do you have money in your budget to fill a vacancy.

Mr. Borek stated perhaps you are referring to the Development Coordinator position. That is a separate position from a separate budget.

Alderman Shea asked is that in your budget.

Mr. Borek answered it is actually in the Community Development Block Grant budget.

Alderman Shea asked would you be returning any money from your department to the City as surplus at the end of the fiscal year as things stand now.

Mr. Borek answered there is certainly a balance in the Community Development Block Grant budget that was allocated for the Development Coordinator position that was probably unexpended.

Alderman Shea asked so you are saying you do have money in your budget under a separate allocation is that correct.

Mr. Borek answered it is not from the City's operating budget. It is part of the Community Development Block Grant.

Alderman Shea asked so there is nothing in your budget that you are returning.

Mr. Borek answered no.

Mayor Guinta called for a vote on the motion to hold \$33,339.70 in contingency for the retirement of Jane Hills. There being none opposed, the motion carried.

Communication from Kevin Dillon, Airport Director, requesting authorization from the Board of Mayor and Aldermen to extend his authority to enter into multi-year agreements on behalf of the Airport or City when situations necessitate immediate commitment or approval for another year.

Alderman Forest moved to approve the request. Alderman Smith duly seconded the motion.

Alderman Long stated just for my clarification currently does he have to follow the City procurement code. Does this authorization effect vendors or what have you?

Solicitor Clark answered this doesn't affect the procurement code.

Alderman Long asked so any vendor or what have you would have to go through the RFP route.

Solicitor Clark answered the Airport follows the procurement code when it has to go out to purchase services or items.

Alderman Long asked so current vendors in the Airport right now would have to go to RFP if their contracts were expired or does he have the authority to extend that.

Solicitor Clark responded you may want to ask Kevin Dillon but it is my understanding that this authorization does not apply to purchasing. It applies to long-term leases and other agreements that he needs to execute right away.

Alderman Long asked so long-term leases like for example...

Solicitor Clark interjected the Airport owns numerous properties around the airport and various buildings are owned by tenants or by the airport and leased to tenants. Mr. Dillon

negotiates...the normal practice in the City or in fact the law is that the department head can't bind the City for more than its budget year. In this instance the Board has authorized Mr. Dillon to bind the City for multi-year agreements because of the FAA requirements and other requirements that he has to move quickly on.

Alderman Long asked so for example Hudson News, one of the vendors there, if their contract is expiring does he have to go out to RFP and this doesn't affect that.

Mayor Guinta responded this doesn't affect that but I don't think you go out to RFP for those.

Alderman Long stated well if it doesn't affect Hudson News I will move the question. I can speak to the Solicitor after the meeting.

Mayor Guinta called for a vote on the motion to authorize Kevin Dillon to extend his authority to enter into multi-year agreements on behalf of the Airport or City when situations necessitate immediate commitment or approval for another year. There being none opposed, the motion carried.

Communication from William Sirak, Chairman of the Manchester Development Corporation, requesting the Board's concurrence in providing a grant in the amount of \$6,000 to be funded out of the MDC Restricted Marketing account to the Manchester Convention and Visitors Bureau.

Alderman Lopez moved to approve the request. Alderman Roy duly seconded the motion.

Alderman O'Neil asked is there a misprint on the date of one of these conferences. It says 2005.

Mayor Guinta answered I would hope so.

Alderman O'Neil stated I am curious why they are wearing NH clothing and not Manchester clothing if we are paying for it. I will leave it at that. If we are paying the bill they should be pushing Manchester not necessarily just NH in general.

Mayor Guinta stated I think it is a cooperative financial effort with DRED.

Skip Ashooh, MDC, stated it is an invitation from the Department of Tourism and Travel to partner with the State of NH and attend three or four shows, some of which Manchester CVB would not be able to get in front of. We would be a Manchester face at some of these conferences. It would be Manchester clothing or NH clothing if there is such a thing...

Alderman O'Neil interjected that is what it says here. I am just reading what it says.

Mr. Ashooh stated I am not sure what that is but it is the Manchester CVB booth that will be represented there and there will be Manchester CVB materials. It is a joint venture and funds from the MDC are restricted to marketing and things like this. The request from the state came after the budgeting year took place so we voted to provide these funds.

Alderman Shea stated what I would like to see is some kind of report back to the Board of Mayor and Aldermen regarding what the positive features might be of attending such a convention. I think that is important.

Mr. Ashooh responded I could have that for you tomorrow. I actually have a sheet...

Alderman Shea interjected well she hasn't gone yet has she.

Mr. Ashooh stated she is attending one in Boston right now.

Alderman Shea replied I am saying that once these are all completed if she could submit a report to the Board indicating what benefits there have been and what implications there have been from attending these meetings.

Mr. Ashooh stated there is actually a sheet of benefits for each of these meetings. What you are looking for is did she actually get value for the money spent?

Alderman Shea responded yes.

Alderman Pinard asked don't we have a tourism bureau of our own in the City.

Mayor Guinta answered that is what this is.

Alderman Pinard asked are we doing a duplication of efforts here.

Mayor Guinta stated no this is the Manchester Convention & Visitor's Bureau that we are talking about. They are supplementing City funds.

Mayor Guinta called for a vote. There being none opposed, the motion carried.

Global Economic Development Strategy prepared by Angelou Economics  
and presented to the Board on March 6, 2006.

On motion of Alderman Long, duly seconded by Alderman Duval it was voted to refer this item to the Economic Development office for review and recommendations of future actions for the Board.

Downtown Strategic Development Plan prepared by Hillier Architecture and presented to the Board on March 6, 2006.

Alderman Roy moved to refer this item to the Manchester Development Corporation for review and recommendations of future actions for the Board. Alderman Duval duly seconded the motion.

Alderman Roy stated I would like to see MDC have the ability to review this and report back. I know that Mr. Borek works very closely with MDC but the global Economic Development Strategy should not only go to his department but to MDC also. Could we amend this so that all three or if we could encourage Mr. Borek to work with MDC on the other two?

Mayor Guinta replied I think it is safe to say that he would work with MDC on the other two and they have expressed an interest and willingness to help.

Alderman Long asked regarding the Manchester Development Corporation, is there a representative from Intown or somebody who is also on the Board of Directors of Intown.

Mayor Guinta asked someone on the Intown Board or someone on the Intown staff.

Alderman Long asked either.

Mayor Guinta stated there is no one from the Intown staff and I don't think there are any members of the Intown Board on MDC.

Alderman Long asked could I offer an amendment that with respect to the Hillier study a representative from Intown Manchester sit in on those deliberations.

Mayor Guinta asked does someone from Intown typically attend...

Alderman Forest interjected Stephanie Lewry was there at the annual meeting when this was presented.

Mayor Guinta stated I certainly don't think that Stephanie would be excluded from participating.

Alderman Long stated she asked me to make sure that somebody from Intown was invited.

Mayor Guinta responded well to the extent that Stephanie could work with the Economic Development Director and MDC I would assume that would happen.

Alderman Lopez stated I think this brings up a very good point. The Economic Director when he goes to these meetings could take somebody from Intown because I know they are interested in being involved. They might not vote on something but at least they will know what is going on. I think it would be a courtesy. The only question I really had was the timeframe of the report. People get this stuff and they just sit...has that been worked out with your office?

Mayor Guinta responded no a timeframe for reporting has not been worked out but I can tell you that I know Paul and MDC are certainly eager and sort of chomping at the bit to get started. To the extent that I could work with the Chairman to try to identify a timeline or the Aldermanic representative on MDC could work with MDC on a reporting timeline and if you wanted to work with the Economic Development Director as the Chairman of this Board on reporting requirements that's fine.

Mayor Guinta called for a vote. There being none opposed, the motion carried.

Resolutions:

“Amending the FY2005 Community Improvement Program, authorizing and appropriating funds in the amount of Forty Five Thousand Seven Hundred Ninety Seven Dollars (\$45,797) for FY2005 CIP 210105 Homeless Health Care Program.”

“Amending the FY2005 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Fifty Thousand Dollars (\$150,000) for the 2005 CIP 711705 WWTF Facility Plan Project.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Eight Thousand Dollars (\$8,000) for the 2006 CIP 214306 – 6% Incentive Fund Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 410706 NH DWI Patrol Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 410806 NH Speed Enforcement Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Six Hundred Ninety Seven Dollars (\$2,697) for FY2006 CIP 411906 Manchester School Bus Enforcement Patrols.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Thirty Seven Thousand Three Hundred Seventy Eight Dollars (\$137,378) for FY2006 CIP 412106 Homeland Security Exercise and Evaluation Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Five Thousand Six Hundred Four Dollars

(\$5,604) for the FY2006 CIP 610606 Housing Rehabilitation/Lead Paint Hazard Remediation Program.”

“Amending the FY2005 and 2006 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Twenty Five Thousand Dollars (\$125,000) for the 2006 CIP 712006 S. Mammoth Phase 3 Project.”

On motion of Alderman Forest, duly seconded by Alderman Shea it was voted to dispense with the readings by title only.

On motion of Alderman Shea, duly seconded by Alderman Forest it was voted that the Resolutions pass and be enrolled.

### **TABLED ITEMS**

**25.** Petition to discontinue a portion of Union East Back Street.

On motion of Alderman Forest, duly seconded by Alderman Shea it was voted to remove Item 25 from the table.

Alderman Forest stated I talked with Frank Thomas and I believe Mr. Myers is still here. I know we went for a road hearing on this back in December and I think we had concluded by looking at the property that this was going to be more of a civil action than anything else. I would move to receive and file.

Alderman Shea duly seconded the motion.

Alderman Roy stated I know Mr. Myers has stuck around this evening to listen to this but I think the process somewhat has to be followed whether it becomes a civil action or not. I believe CIP voted to send this to an additional road hearing and get additional facts on it.

Alderman Forest responded receiving and filing wouldn't end the process. It would just take it off the table. A civil action could take years.

Alderman Roy replied could I ask the Clerk for a clarification. I am not sure we can overrule what CIP has already done.

Deputy City Clerk stated the Board can take any action it desires at this time. The Clerk had suggested to the CIP Committee that if they wanted to proceed the item had to go out to another road hearing because notices were not proper in the first instance so in order to do anything you would have to go through the process all over again. I believe earlier this evening Mr. Myers had requested that the Board not act on it. The Board always has the option to state that it wants to receive and file or not act on the action. It would not change anything as it exists today. It would just remain, in essence, a paper street on the record and

any litigation between the parties would be a separate issue and some of that litigation as I understand it has to do with fencing.

Alderman Roy asked so if we received and filed the petitioner would the have the option of either letting it rest following going in any direction with the civil matter or repetitioning for a road hearing in the future correct.

Deputy Clerk Johnson answered yes that is correct.

Alderman Roy stated I just wanted to make sure that all of my constituents are protected.

Alderman Garrity stated at our last CIP Committee meeting the Clerk recommended a road hearing again because there was some confusion about notification to abutters and things. We heard from Mr. Myers in a public forum but we haven't heard from the other abutter and my recommendation is to let the process go forward to another road hearing.

Deputy City Clerk Johnson stated I would just like to correct that. The notification to abutters that went out, the errors that occurred I believe are not in consideration of the two abutters that were at the road hearing and you did hear both sides of the story that evening I believe.

Alderman Garrity responded we haven't heard from the other abutter. Has notification gone out about a road hearing yet?

Deputy City Clerk Johnson replied no not unless this Board orders another road hearing. That is what we were awaiting.

Alderman Garrity stated that is what we did in the CIP Committee a couple of weeks ago.

Deputy City Clerk Johnson responded you are recommending that a road hearing go forward.

Alderman Shea asked when we move this from our agenda that doesn't impact any other agenda like the CIP agenda does it. That is all we are doing is saying let's get it off this so we don't have it here but CIP can come up with a...

Deputy City Clerk Johnson answered the CIP report is attached and part of this communication at this point. There is a report of the committee attached to your agenda that recommends that it go out for a road hearing.

Alderman Garrity stated I did touch base with the Alderman from the ward this evening. Alderman Roy I guess you would like to see it go to a road hearing again. It is your ward.



Alderman Roy responded I believe that it has been indicated that the other abutter has taken back the petition and I think that should be between the abutters. If not, I think we should stay the course with what the CIP Committee did in scheduling a road hearing so we can hear all sides in a judicial manner. I was told earlier that we could not overrule the CIP Committee and as the Clerk clarified for Alderman Shea if we take this action and receive and file this, we nullify everything that has happened to date and I think that would be unfair at this point. We may get to the road hearing and table it again after hearing more facts. I would like to stay with the CIP Committee recommendation.

Mayor Guinta stated there is a motion on the floor to receive and file.

Alderman Shea withdrew his second to the motion.

Alderman Lopez moved to table.

Alderman Gatsas stated we should send it to CIP.

Alderman Roy stated we can take it off our agenda by sending it to CIP and then it is there and only there and it goes through the process.

Alderman Forest moved to refer the item to CIP. Alderman Shea duly seconded the motion.

Mayor Guinta stated we are going to take it off the table and send it back to CIP.

Alderman O'Neil asked what does that prove sending it back to CIP now.

Mayor Guinta answered the ward Alderman would like a road hearing.

Deputy City Clerk Johnson stated then the motion would be to accept the Committee report and order it to be sent to a road hearing. There is a Committee report attached to this tonight.

Alderman Forest withdrew his motion to refer the item to CIP.

Alderman Garrity moved to accept the report of the Committee on Community Improvement. Alderman Shea duly seconded the motion.

Alderman Roy stated I would reiterate that the ways that this could end are either a decision at the road hearing or the petitioner wants to pull back that petition as indicated earlier, in writing to the Clerk's Office.

Mayor Guinta called for a vote on the motion. There being none opposed, the motion carried.

- 26.** Report of the Committee on Administration/Information Systems advising that it has accepted a report from Manchester Communication Access Media, Inc. (MCAM) indicating they are operational and fully functioning at their current location and submitting a list of expenditures, and is forwarding same to the Board for informational purposes.

On motion of Alderman Lopez, duly seconded by Alderman Forest it was voted to remove Item 26 from the table.

Alderman Gatsas asked you want to do that tonight.

Alderman Lopez answered well he has been standing here...they have been waiting here all night. So, for both of our purposes MCAM has submitted a report and if they want to come up and answer any questions that the Alderman and anybody else has.

Joseph Lahr, Executive Director, MCAM introduced himself.

Alderman Lopez stated I think your financial information in reference to the portion of money the City gave you and looking at the start-up operation, the \$350,000, if you want to give an overview just briefly it is probably better coming from you than me and then maybe people have some questions.

Mr. Lahr stated I will and I feel it is important to address right off the bat that there is an error on my cover sheet. My calculations for Year 2...as you know we are in the middle of Year 2, are estimated. The remaining seven months or so are estimated and that is a number that I do not have exact information on yet. There is certain history of items regarding such things as the electrical use at our facility so I estimated high. That is why you see a small deficit there. Essentially to begin with you have three spreadsheets. The first one is the operation through Year 1. Do you want me to go through the detail or not?

Alderman Lopez responded I don't think so. I only care about the overall view of the \$350,000.

Mr. Lahr replied that is on the spreadsheet labeled Capital Expenditures & Asset Balance Sheet. Essentially what that shows on the front side is our bank accounts and how much money is located in each of those. Down at the bottom of the sheet it shows our expenses for items that we purchased using that money. On the second page it continues with those purchases. In the middle of Page 2 it shows our construction expenses and summarized at the bottom with our total assets and liabilities the amount shown and to the left of that shows our total available cash, our estimated operating expenses until the end of the year, the remaining cash and then our proposed ongoing projects, which we hope to complete over the next couple of years to finish what we have begun for the City.

Alderman Lopez stated on question I have is you have if I am reading this correct, \$130,000 left of the \$350,000.

Mr. Lahr responded that is correct.

Alderman Lopez asked is that all committed because that is for the next 10 years I believe isn't it.

Mr. Lahr answered that is correct. It is committed to the point where we have projects that we have proposed and significant fundraising that we need to commence to make it happen.

Alderman Lopez asked so after you use it that is it and you don't have anymore.

Mr. Lahr answered that is correct.

Alderman Lopez stated so you have nine more years without any capital improvements. Do you think that is...

Mr. Lahr interjected well obviously there has been very little fundraising to date because of the start-up time that it has taken to make this happen but we do believe we can leverage the channel and the space with the community to make it work.

Alderman Gatsas stated maybe you can drive me through this because I am looking at...obviously you just told Alderman Lopez you only had \$130,000 left...

Mr. Lahr interjected in the equipment fund.

Alderman Gatsas stated okay if you only have that left, \$264,000, there must be another \$130,000 made up of something else.

Mr. Lahr responded yes the remaining is left for our operations for Year 2.

Alderman Gatsas asked and when did you receive those.

Mr. Lahr answered in October.

Alderman Gatsas asked October 2005.

Mr. Lahr answered correct.

Alderman Gatsas asked how much did you receive in October 2005.

Mr. Lahr answered \$31,770.

Alderman Gatsas asked is that...my understanding was that that was 1%. So correct me if I am wrong but you are supposed to get another disbursement sometime in October.

Mr. Lahr answered this October correct. Our year ends September 30.

Alderman Gatsas asked so you are planning on spending \$130,000 in the next four months.

Mr. Lahr answered not four months. It would be about seven months. This sheet was drawn up in early March.

Alderman Gatsas asked so you spent \$130,000 in the first five months.

Mr. Lahr answered roughly yes. There were some prepaid things we had to take care of regarding insurance for the buildings and other things that were prepaid.

Alderman Gatsas asked and the original budget that you brought to us was how much.

Mr. Lahr answered there were many different budgets and at the end there was no budget. It was a 1% proposal.

Alderman Gatsas stated I think the budget we were talking about was somewhere around \$180,000 if I remember right. Now that budget has gone from \$180,000 to \$280,000?

Mr. Lahr responded \$230,000.

Alderman Gatsas asked so you are planning on spending the entire \$230,000 on operating expenses.

Mr. Lahr answered the use of the equipment funds are restricted to equipment and the 1% we will call it for lack of a better term is for operations and that was our intention yes.

Alderman Gatsas stated I am just looking at these numbers and it doesn't...you had some PEG access grants, you had \$350,000. You got \$115,000 for start-up. You have \$231,000 for operations.

Mr. Lahr replied yes.

Alderman Gatsas stated I am looking at those numbers and saying they don't add up. They add up somewhere to \$700,000.

Mr. Lahr responded we can go through the spreadsheets if you would like.

Alderman Gatsas stated I am just looking at this other sheet that you just gave us.

Mr. Lahr replied that is a summary of the monies we received from the City to date.

Alderman Gatsas stated so that is about \$700,000.

Mr. Lahr responded \$697,000.

Alderman Gatsas stated so give me an allocation of...you only show that you have about \$300,000 so you spent \$400,000.

Mr. Lahr replied that is correct. It is all on the sheet. If we could start with Year 1 and take a look at the expenditures they are clearly listed. If you want me to go through them one by one in Year 1 we had \$15,000+ in salary. There were some operating supplies for nearly \$3,000. Office expenses in the amount of \$900. Utilities to that point were about \$2,700. Then we paid to that point \$1,500 in rent. There is a line item for telephone of about \$1,000. Medical insurance and different types of liability insurances were paid at that point in Year 1 and different payroll expenses on the second line item. I can go on and on. There were different permits and fees. At the end of that point we spent about \$70,000, which you can see on Page 2 in the middle column. That was out of the \$115,000. Remaining from that was about \$46,000. At the bottom you will see that remaining after a little bit of interest income there was a little over \$46,000 and then we had some items here that were prepaid that were accounted for including \$11,000 where it says accounts payable but that was for engineering services for our server or items that we owed money on but we did not pay during that fiscal year. Then insurance and rent deposit are all things that we had to paid but they are also part of our assets. The fiber optic connection, which shows roughly a surplus of about \$1,300 for that year. Then into Year 2, which we are in now, the spreadsheet entitled Year 2 goes through the same line items through the first page and shows that to date, which was roughly early March, about \$110,000 was spent on the different line items and this is out of the \$231,000 showing a remaining balance of \$130,000. Some interest income was added in and that showed us to the point where there is about \$130,000 left and as I said I am projecting operating costs for the next roughly seven months to give us that final number that is there.

Alderman Gatsas asked so basically what you spent was about \$200,000 on renovations.

Mr. Lahr answered yes. The renovations are on the landscape spreadsheet and the renovations and equipment are listed most clearly under the title Fixed Assets.

Alderman Gatsas asked can you give us the identify of who those renovation costs were paid to.

Mr. Lahr responded you want to know who they were paid to.

Alderman Gatsas replied correct. You don't have to give it to me right now.

Mr. Lahr stated that is on the first sheet that we gave you when we responded to this the first time. I saw it on the agenda. The first sheet we sent to you over a month ago.

Mayor Guinta asked could the Clerk send that to the Aldermen.

Mr. Lahr stated it was the sheet that had the photos of the facility.

Alderman Gatsas stated so you spent \$94,000 in renovations and I thought you said you spent \$200,000.

Mr. Lahr responded I didn't mean that. We spent \$200,000 at least out of the equipment and facilities grant. About \$95,000 was on renovations including air conditioning, electrical, walls and doors and the rest was on equipment.

Alderman Garrity moved to receive and file. Alderman Smith duly seconded the motion.

Mayor Guinta called for a vote. There being none opposed, the motion carried.

**27.** Report of the Committee on Public Safety and Traffic recommending that the following question:

“Are you in favor of requiring that all drivers in the State of New Hampshire carry motor vehicle liability insurance.”

be forwarded to the voters as a non-binding referendum question at the November 7, 2006 General Election.

*(Unanimous vote)*

*(Tabled 03/03/2006 pending further discussion with the State of NH Insurance Department.)*

This item remained on the table.

## **NEW BUSINESS**

Alderman Gatsas stated we have heard a lot of conversation about Hackett Hill. Could someone give us an update on the building at Hackett Hill? Have we closed on it? Have we sold it? Do we have it back in our inventory and what is its status? I know it is only \$1 million but I just thought I would ask.

Alderman Lopez stated the at the last Board meeting the Mayor did ask the Director to work with me. He was going to have a report tonight. He is not completely finished with it but I am sure he can answer the question.

Mr. Borek responded yes I certainly can and I will have a report on all outstanding economic development projects related to financing that the City provided. The French Hall building has closed and JPSA Laser Technologies will begin shortly with improvements to the building that they had laid out in their plan.

Alderman Gatsas asked and the City has received its check.

Mr. Borek answered that I will have to check.

Mayor Guinta asked Mr. Sherman do you have a quick answer to that.

Mr. Sherman stated it goes to the Housing Authority, which is why Paul probably hasn't seen it. If they closed on it I would most certainly think they have their money.

Mr. Borek stated I have a detailed report from the Housing Authority that I will include in my report at the next meeting.

Alderman Lopez stated I just want to mention that the first annual Senior Stampede Walk is April 15 and the challenge to the Board of Mayor and Aldermen is \$50 from each member and we are a team. I will do the walking for you if you just donate the \$50.

Alderman Roy stated I have two items. The first being a report that came from Lands and Buildings that the Clerk, I believe, has.

Deputy City Clerk Johnson stated the Committee on Lands and Buildings has requested under an emergency provision that this report be brought forward.

A report of the Committee on Lands and Buildings was presented recommending that the Board find the Weston Fire Station building to be in need of immediate demolition as an emergency condition and order that the Building Commissioner in cooperation with the Public Works Director arrange for demolition of said structure at the earliest possible time. The Committee notes that said determination is made on the basis of a structural condition report received from the Chief Facilities Manager and notes that it is of the understanding that the Building Commissioner has the funding source to provide the demolition of buildings and that the Board order demolition costs to be taken from such account.

Deputy City Clerk Johnson stated I would note that I have spoken with the Building Commissioner early this evening. He indicated that he may not have quite enough funding available in the cash account and may need to come back to the Board but will proceed and work with Public Works to the extent that they have funds available.

Alderman Roy moved to accept, receive and adopt the report of the Committee on Lands and Buildings. Alderman Duval duly seconded the motion.

Alderman Lopez stated this won't stop him...he doesn't have to come back but just go ahead and take it out of contingency. I don't want to hold up the project.

Deputy City Clerk Johnson stated it is my understanding that he will proceed with the project but he wanted the Board aware that he may be short.

Alderman O'Neil stated I don't know if this came up at Lands and Buildings. Are we doing anything with the tower or is that staying?

Deputy City Clerk Johnson responded the tower is part of it.

Alderman Roy stated as I discussed in Lands and Buildings earlier, I am appalled that a building in this City, a former fire house that many people tried to purchase over the last 20 years is about to be demolished and I asked the Mayor's Office to go ahead and look at any other vacant buildings to make sure that we are protecting them and if we are not protecting them to get them sold so they will be back in the tax base. I am appalled by this being torn down but it is a safety issue so I will support it.

Alderman O'Neil stated I will reference that Assistant Chief Monnelly was the Captain of that firehouse.

Mayor Guinta called for a vote. There being none opposed, the motion carried.

Alderman Roy stated the second piece of new business is a request of the Clerk's Office. I know the schedule is dictated by the Chairman of each Committee but there were a number of occasions tonight where Aldermen were headed to other meetings and not able to attend meetings they wanted to speak at and timeframes of our condensed scheduled let to an adjournment of Lands and Buildings three or maybe four times. We may want to review that with the Mayor's Office and the Chairman of each Committee and discuss what can be done so we can get rid of some of the tabled items and give every item its due.

Alderman Long stated in front of you there is a Resolution. There was a group of non-profits that got together in support of a...there is a federal grant for \$1.4 million over four years for peer-to-peer counseling and something whereas the City...I know we are getting federal grants now but this would help take these problems off the streets. This is for those that want the help. This will help them remain substance free so I would urge my colleagues to adopt the Resolution.



Deputy City Clerk Johnson stated we would look for a motion to read the Resolution by title only.

On motion of Alderman Long, duly seconded by Alderman Roy it was voted to read the Resolution by title only and it was so done.

“A Resolution Urging the Federal Substance Abuse and Mental Health Services Administration Consider the Grant Proposed by Friends of Recovery NH, Inc. (FOR NH).”

On motion of Alderman Long, duly seconded by Alderman Garrity it was voted that the Resolution be adopted.

There being no further business, on motion of Alderman Garrity, duly seconded by Alderman Smith it was voted to adjourn.

A True Record. Attest.

City Clerk